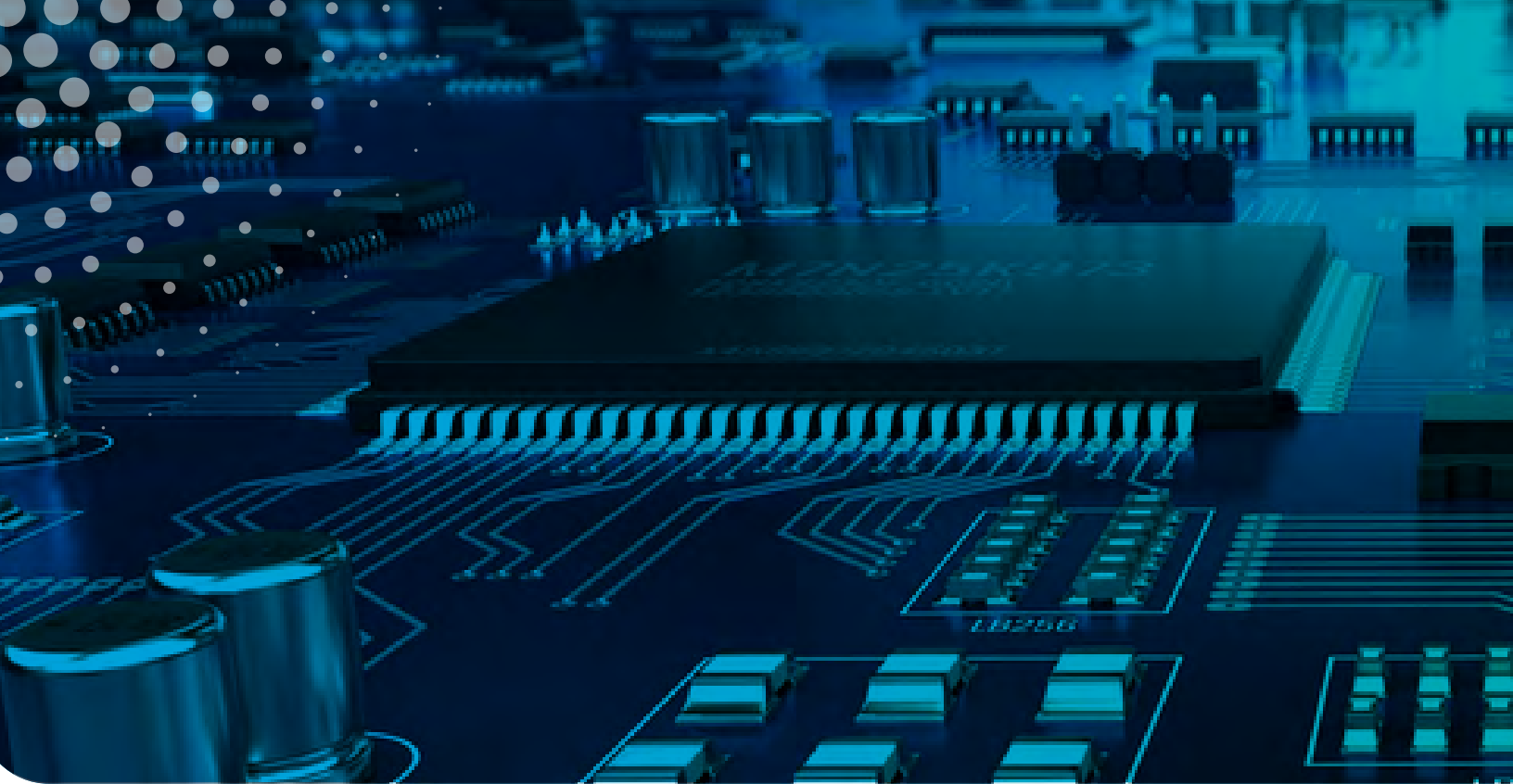


CYIENT
DLM



DESIGN LED MANUFACTURING

ANNUAL REPORT FY2023-24



DESIGN LED MANUFACTURING

Our journey is deeply rooted in our engineering expertise and a profound understanding of diverse design and engineering requirements across a multitude of industries. This knowledge gives us unique insights into the specific needs of our clients, enabling us to deliver tailored solutions for complex challenges. This is the essence of Cyient DLM – Design Led Manufacturing. By seamlessly integrating design and manufacturing, we offer end-to-end solutions that ensure excellence and quality in every project.

As an Electronics Manufacturing Services (EMS) organization, our vision is to lead the industry with our design-led manufacturing approach, focussing on driving growth and innovation for our clients. We are committed to setting new industry benchmarks through continuous innovation, exceptional quality, and building trust with our clients.

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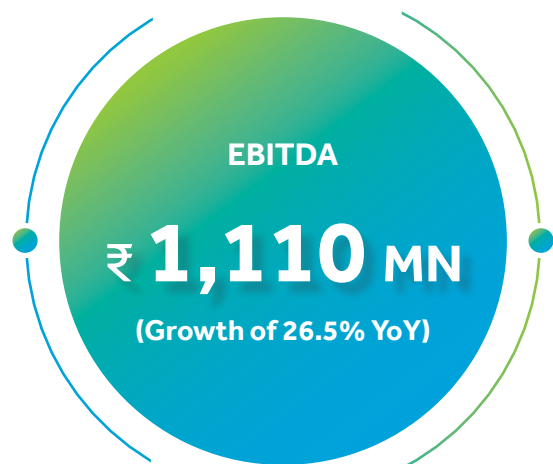
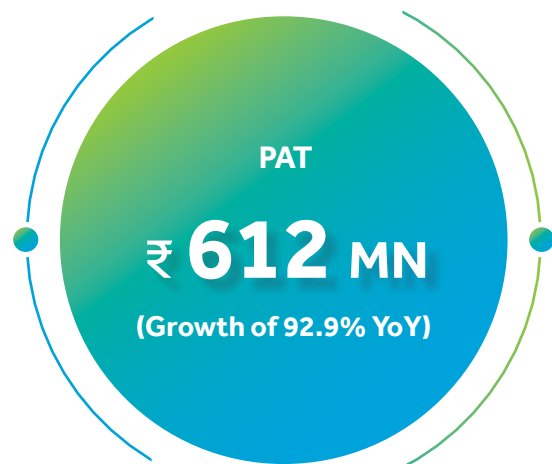
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KEY PERFORMANCE HIGHLIGHTS FY24

In the Financial Year 2023-24, we recorded our highest-ever revenue of ₹11,919 million, a growth of 43.2% YoY. This growth was majorly driven by our key clients in the Aerospace and Defense segments. Our EBITDA for the year stood at ₹1,110 million, a growth of 26.5% YoY. EBITDA percentage stood at 9.3% for the year, a reduction of 124 bps compared to FY 2022-23.

With planned investments in employee costs across sales, operations and CTO organization to take care of the future anticipated growth, our sales and general administration expenses increased, resulting in our EBITDA growth being lower compared to the revenue growth. Aided by strong volume growth and growth in other income, PAT for the year stood at ₹612 million, which is an YoY growth of 92.9%. PAT percentage at 5.1% grew by 132 bps over the previous year.



ABOUT CYIENT DLM

Cyient DLM Ltd. is a subsidiary of Cyient Ltd., formerly known as Infotech Enterprises, and a globally recognized Engineering and Technology Solutions company headquartered in Hyderabad, India.

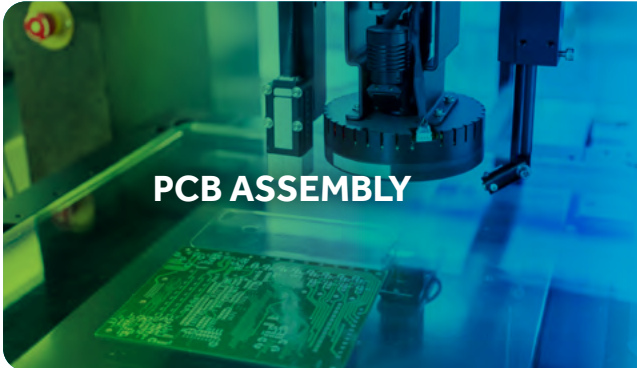
Cyient DLM Ltd. stands as a prominent integrated Electronic Manufacturing Services (EMS) and solutions provider in India. Our core offerings encompass end-to-end manufacturing, assembly, testing, and aftermarket support for safety-critical and mission-critical electronic products. Boasting over three decades of expertise in developing highly complex systems with a focus on high-mix and low-to-medium volume production, we have earned recognition as a qualified supplier to global Original Equipment Manufacturers (OEMs) in Aerospace and Defence, Medical Technology, and Industrial Sectors as well as other sectors such as Rail & Transportation and Automotive.



Distinguishing ourselves within the Indian EMS landscape, we specialize in serving highly regulated industries and hold the position of the largest EMS services supplier by value to the Aerospace and Defence industry in India.

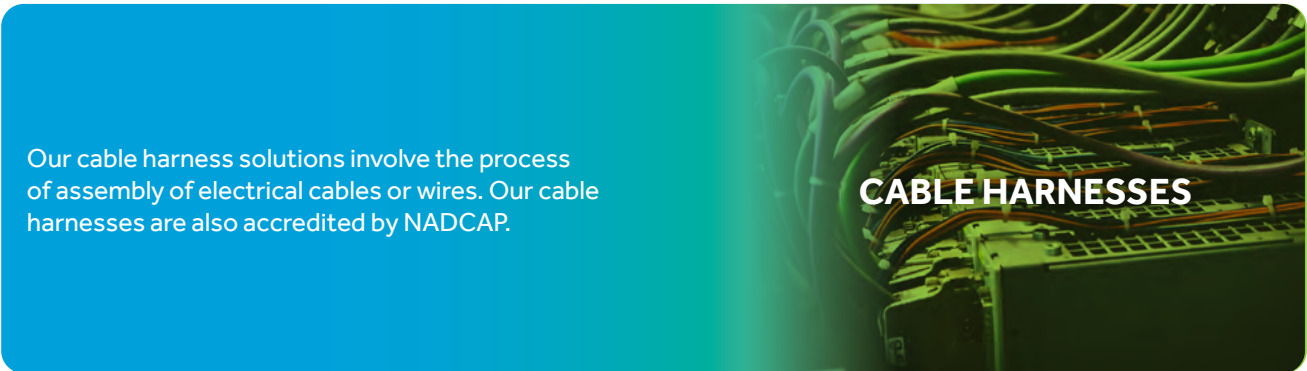
At the core of our solutions are four key products:

(i) Printed Circuit Board Assembly (PCBA) | (ii) Cable Harness Assembly | (iii) Box Builds | (iv) Precision Machining.



PCB ASSEMBLY

PCB assembly is the process of connecting electronic components onto PCBs. Components are placed onto the footprints or inserted into the via holes and soldered to complete the electronic circuitry. There are two main categories of assembly: (i) Surface Mount Device Assembly and (ii) Plated Through Hole Assembly. Our PCBA processes are NADCAP certified.



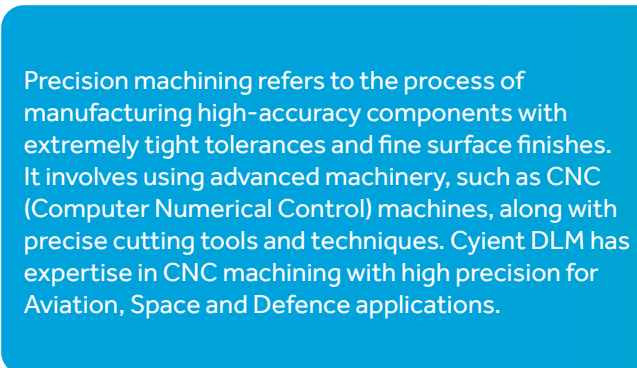
CABLE HARNESSES

Our cable harness solutions involve the process of assembly of electrical cables or wires. Our cable harnesses are also accredited by NADCAP.



BOX BUILDS

Also known as System Integration, box builds can be anything from a simple PCBA housed in a small enclosure, to a cabinet housing a complex electromechanical system. The box build process involves enclosure fabrication, assembling the various PCBAs and cable harness assemblies, installation of sub-assemblies and components, and routing of cabling or wire harnesses. We assemble box builds ranging from very simple to complex devices with a wide range of applications across verticals.



PRECISION MACHINING

Precision machining refers to the process of manufacturing high-accuracy components with extremely tight tolerances and fine surface finishes. It involves using advanced machinery, such as CNC (Computer Numerical Control) machines, along with precise cutting tools and techniques. Cyient DLM has expertise in CNC machining with high precision for Aviation, Space and Defence applications.

Our Electronic Manufacturing Services are provided as Build to Print (“B2P”) and Build to Specification (“B2S”) services to our clients.

Our B2P solutions involve our client providing the design for the product for which we provide agile and flexible manufacturing services.

Our B2S services involve utilizing our design capabilities to design the relevant product based on the specifications provided by the client and manufacturing the product.

We provide services across the product life cycle for our clients by acting as an integrated service provider who can support their manufacturing and after-market service needs, as well as their design needs by leveraging our design capabilities. As a strategic partner to clients across highly regulated industries, we enjoy long-term relationships with high customer stickiness and a high proportion of repeat business, which allows us to have strong visibility on future revenue and a stable client base

We also offer several value added and after-market services to our customers, such as:



Obsolescence Management

This process supports the end-of-life products of our clients. We advise on any components that need to be replaced due to technological upgradation and non-availability of the relevant components.



Localization

Localization is the process of adapting a particular product to the local needs of a particular geography or culture with a focus on leveraging locally available components to build the product.



New Product Introduction

New product introduction is the process of taking a product idea from the conceptualization stage to making the product available for use or production.



Logistics and Supply Chain Management

This service helps clients manage their supply chain requirements from sourcing to logistics to storage solutions. While logistics focuses on the movement and storage of items in the supply chain, supply chain management is more comprehensive, covering the coordination among partners in the network, including sourcing, manufacturing, transporting, storing, and selling.



Value Engineering

Value engineering can be defined as an organized effort directed at analyzing designed building features, systems, equipment, and material selection for the purpose of achieving essential functions at the lowest life cycle cost consistent with the required performance, quality, reliability, and safety.

FOOTPRINT

30+

Years of experience

4

Manufacturing units in india

360k+

Sq. ft. of manufacturing area

1500+

Associates



Hyderabad



Capabilities

PCBAs, box build, and cable harnesses

Area: 1,70,000 sq.ft.

Bengaluru



Capabilities

Low volume - High precision, manufacturing products

Area: 35,000 sq.ft.

Mysuru (2 Facilities)

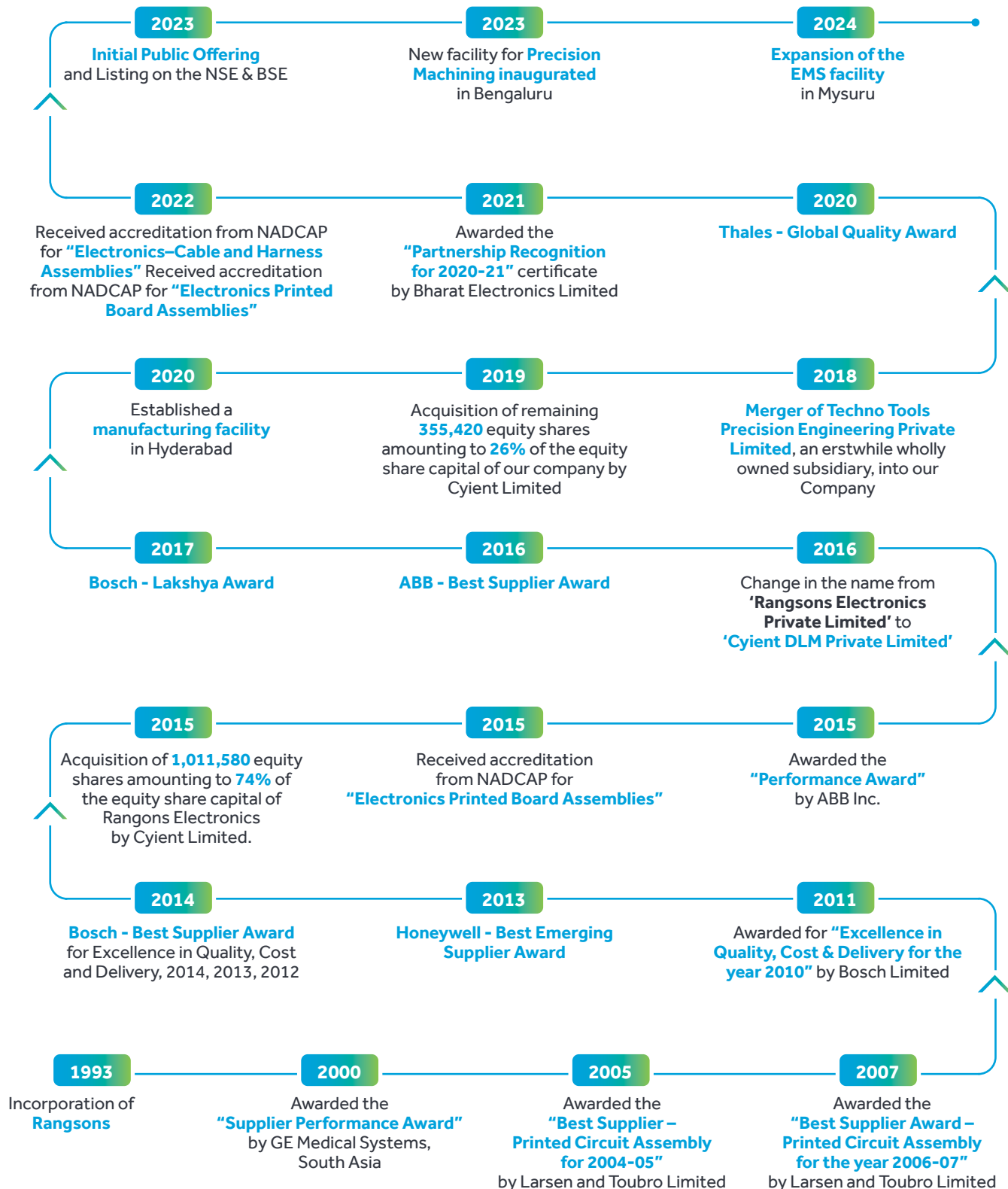


Capabilities

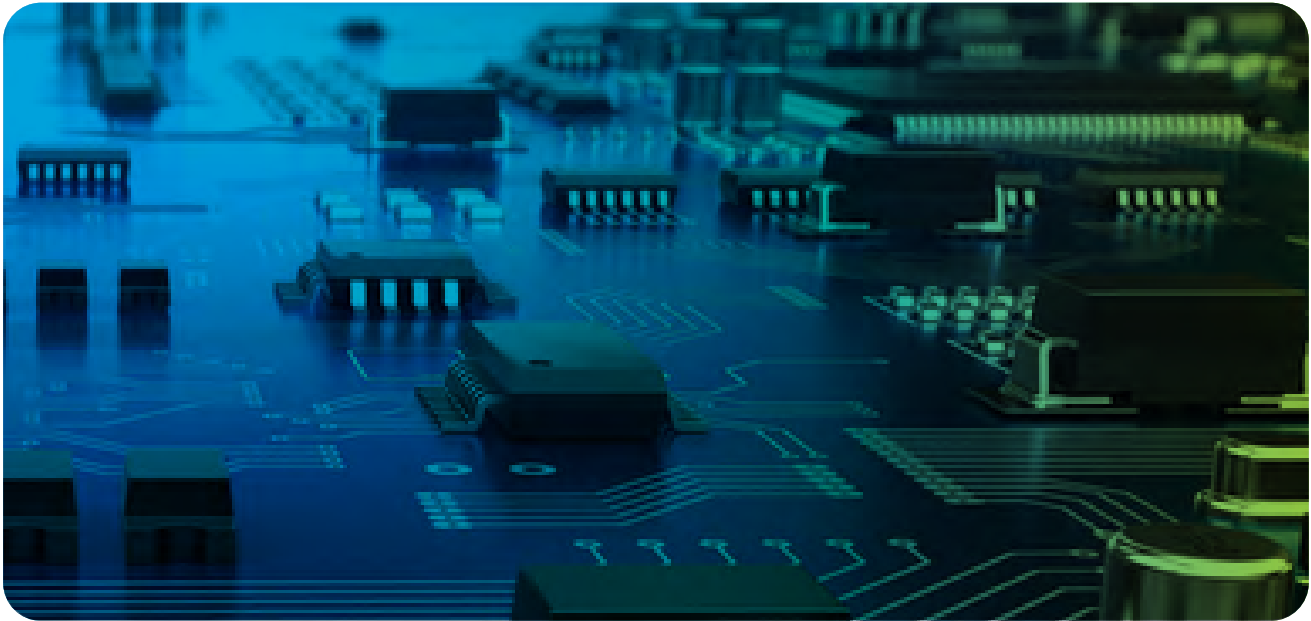
PCBAs, box build, and cable harnesses

Area: 2,20,000 sq.ft.

Cyient DLM through the years



Facilities



We have three manufacturing facilities spread across two states. Two facilities are in Karnataka, situated at Mysuru and Bengaluru, and one in Telangana, located at Hyderabad. We have also recently added an additional facility in Mysuru for capacity enhancement. Our manufacturing facilities are equipped with state-of-the-art equipment for the advanced electronics we manufacture.

Mysuru

Our primary Mysuru facility has a manufacturing area of 65,929 sq. ft. and is engaged in the manufacture of PCBA, cable harnesses, and box builds for clients in the Aerospace and Defence industries. The additional facility in Mysuru is to accommodate our expanding operations and demand from our customers.

Hyderabad

Our Hyderabad facility, which is in a special economic zone, has a manufacturing area of 150,932 sq. ft. and is primarily engaged in the manufacture of PCBAs, cable harnesses and box builds

Bengaluru

In 2023, we inaugurated a new precision machining facility in Bengaluru with 36,000 sq. ft. of manufacturing area, doubling our existing capacity.

Our infrastructure enables us to engage in high-precision manufacturing, with a total of six SMT lines and four PTH lines, which are core processes for PCBAs across our facilities. Our manufacturing processes are compliant with cross-industry certifications and are subject to regular inspections conducted by our world-class customers. The company's commitment to quality is underscored by its prestigious certifications, including NADCAP, AS9100D, IRIS, and ISO 13485, distinctions that position it among the few EMS companies in India with such comprehensive certification.

We also own state-of-the-art equipment and machinery with digital enablement, Sophisticated Assembly lines equipped with in-line Inspection systems including 3D AOIs, MXI & AXI systems and a suite of Testers including FPT, ICT, BST, FCT/ ATEs and reliability testers including HASS/HALT, ESS and Vibration tester, for foolproof operations, which enables us to meet the stringent and complex requirements of our customers within the stipulated timelines and provides us with a track record of reliability. Our facilities operate in two shifts per day, with the option of increasing that to three shifts per day in order to increase productivity.

Mysuru



Hyderabad

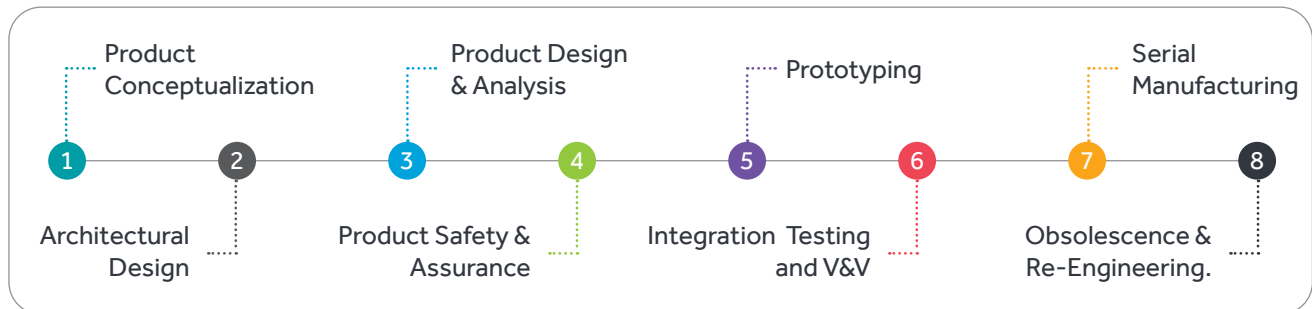
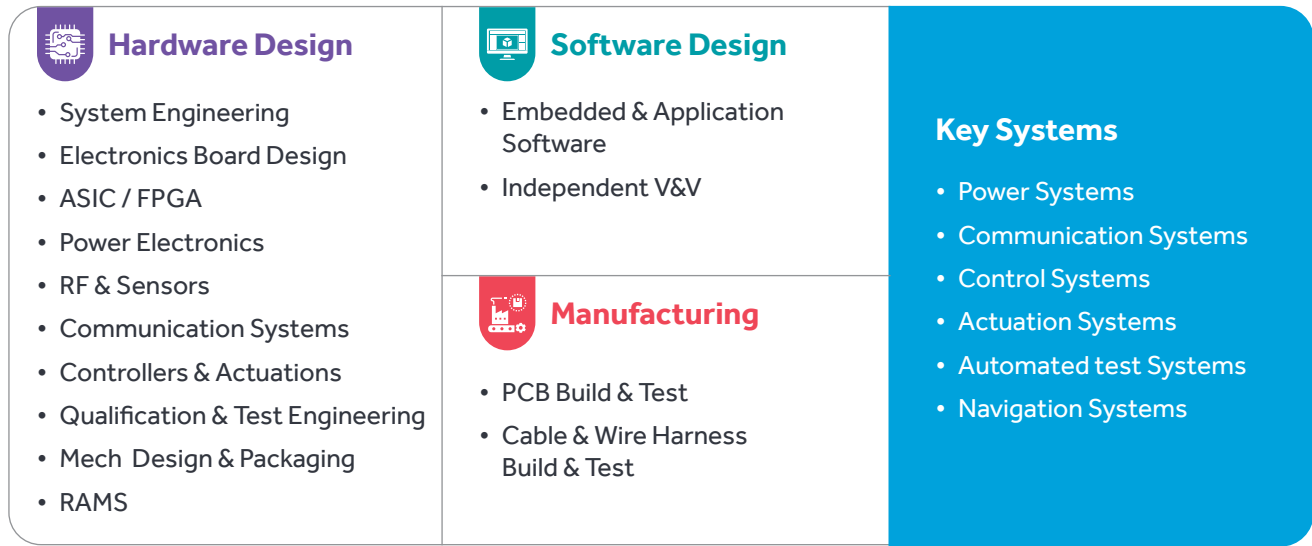


Bengaluru



B2S Capability

Build to specification (B2S) refers to the process of building products from concept as per the client's needs, functions, showcasing our dedication and key differentiation. This approach allows us to collaborate closely with clients from inception to completion, ensuring that each product aligns perfectly with their specifications and expectations. By prioritizing B2S, we demonstrate our capacity for customization and flexibility, distinguishing ourselves in the market as a provider of tailored solutions that consistently exceed client standards.



AWARDS AND RECOGNITIONS FY24



National Export Excellence Award 2024

Awarded the prestigious **National Export Excellence Award 2024** from the Electronics and Computer Software Export Promotion Council (ESC) for outstanding contribution to India's economic growth through leading exports in the electronics manufacturing sector in India in 2022-23.



Supplier Excellence Award from Honeywell Aerospace

Awarded the **Supplier Excellence Award by Honeywell Aerospace** for outstanding contribution in fostering a strong partnership and engaging in the early stages of product development.



Karnataka State Export Excellence Award

Honored with the meritorious **Karnataka State Export Excellence Award** for outstanding export performance under the Electronic Product Exporter category for having the highest exports for the years 2017-18, 2018-19 and 2019-20 in Karnataka.



Best Performer – STPI IT 2023 Export Awards

Awarded as the Best Performer in the category of **Electronic Hardware Exports Tier II & III Region** by Software Technology Parks of India (STPI), Government of India (GoI).



Top Indian Company – IPC 2nd edition of Integrated Electronics Manufacturing & Interconnections

Recognized as the **top Indian company** contributing to the industry's mission of Build Electronics Better.

MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

As we come to the end of a remarkable year, I am pleased to reflect on Cyient DLM's journey and its significant accomplishments. Throughout the year, we have remained steadfast in our commitment to innovation, excellence, sustainability, driving growth and creating value for all our stakeholders.

Following the successful Initial Public Offering (IPO) and subsequent listing on the Bombay Stock Exchange and National Stock Exchange on July 10, 2023, Cyient DLM has continued to demonstrate resilience and adaptability in the face of dynamic market conditions. Despite the challenges posed by the global landscape, we have leveraged our expertise in design-led manufacturing to deliver exceptional solutions to our clients across industries. Our relentless focus on quality, efficiency, and customer satisfaction has reinforced our position as a trusted partner for complex engineering and manufacturing requirements.

One of the hallmarks of our success this year has been our ability to combine our existing design capabilities with our world class manufacturing proficiency. This combination was the key contribution to providing a significant competitive advantage to our customers and enabled the successful completion of key strategic partnerships with two aerospace & defence industry

Krishna Bodanapu
Non-Executive Chairman, Cyient DLM

leaders. The diligent focus on expanding operational facilities enabled the capacity to meet the increasing customer demands.

Looking ahead, we are well-positioned to capitalize on emerging opportunities and navigate potential challenges with agility and foresight. Our strategic initiatives aimed at diversification, innovation, and operational excellence will drive sustained growth and profitability in the years to come. By harnessing the power of technology, collaboration, and talent, we will continue to push the boundaries of possibility and create value for our stakeholders.

Over the past year, our unwavering dedication to our core values of Fairness, Integrity, Respect, Sincerity, and Transparency (FIRST) has consistently guided every facet of our operations. These principles are the bedrock of the trust we cultivate with our customers, partners, and among ourselves. Alongside our FIRST Values, our robust corporate governance ethos underscores our commitment to ethical practices, ensuring we deliver value in all interactions with a broad spectrum of stakeholders, including associates, customers, vendors, regulators, and shareholders.

Also, our AGILE culture has been a driving force in enabling our associates to reach their full potential. By fostering an environment that encourages a growth mindset, we have seen our teams not only achieve their ambitions but also exceed them. This culture of agility and adaptability has empowered our associates to lead by example, create an inclusive and supportive environment, and make significant, positive changes within the organization and the communities we serve.

Furthermore, we've made significant strides in reducing our environmental footprint through innovative initiatives and partnerships. Increased utilization of renewable energy across our facilities and a focus on sustainable sourcing have bolstered both our supply chain resilience and community well-being. Our social impact initiatives have thrived and made a tangible difference with a variety of community outreach programs through the Cyient Foundation. Initiatives such as empowering rural women and fostering innovation and entrepreneurship underscore our commitment to creating a more equitable and inclusive society.

As we progress into FY25, we look forward to continuing this journey of growth, embracing new opportunities, and driving forward with the same passion and commitment that defines our company. Together, we are building a future where everyone feels valued, respected, and empowered to thrive.

As we conclude this fiscal year, let us reaffirm our commitment to operational excellence, integrity, and flexibility to meet our clients' unique needs.

Sincerely,



Krishna Bodanapu
Chairman, Cyient DLM

MESSAGE FROM THE CEO



Dear Shareholders,

Cyient DLM has achieved significant milestones over the past year, positioning itself for sustained leadership and future growth. We have made remarkable strides in expanding our capabilities, enhancing production capacities, and investing in talent to meet our ambitious long-term objectives. Our unique strategy, backed by proven quality and execution, underscores our commitment to excellence and innovation.

Anthony Montalbano
Chief Executive Officer

Cyient DLM demonstrated robust financial performance, with revenues reaching ₹11,919 million, marking over 43% year-over-year growth. Our successful Initial Public Offering (IPO) in July 2023 underscores the potential of our offerings and growth in our focus areas. The IPO proceeds were used to fund additional working capital needed to support our future growth. This aligns with our vision to diversify and strengthen our service offerings, positioning us for sustained growth in the coming years.

We have broadened our client portfolio by securing strategic partnerships and adding two new industry-leading clients in the Aerospace and Defense sectors, both of which hold high future growth potential for large deals.

Our focus on expanding operational capabilities has led us to triple the capacity of our precision machining facility, catering to the increasing demand from our key clients. Additionally, we expanded our operations in Mysuru to create new business opportunities and better meet the growing needs of our customers.

With a strong emphasis on digital transformation, we have begun digitalizing our factories. We have automated manual processes, improved traceability, and enhanced data-driven decision-making across our operations, resulting in better responsiveness to

market dynamics and improved operational efficiency. Furthermore, we have invested in comprehensive training programs for our employees, empowering them to contribute more effectively to our collective goals.

Our Outlook

For FY25, we remain dedicated to innovation, client-centricity, and operational excellence. With a strong pipeline, our growth trajectory is further supported by our unique capabilities, expanding capacities, and engineering expertise that is unmatched in the EMS industry. These elements will drive our continued growth across the diverse sectors we serve. We are particularly optimistic about the numerous opportunities in the Industrial and MedTech sectors, alongside our strong capabilities in the Aerospace and Defense (A&D) segment.

Thank you for your commitment and support in FY24 and I look forward to continued value creation for Cyient DLM.



Anthony Montalbano
Chief Executive Officer

CORPORATE INFORMATION

Registered Office

Cyient DLM Limited

Plot No. 5G, Survey No. 99/1,
Mamidipalli Village,
GMR Aerospace & Industrial Park,
Rajiv Gandhi International Airport,
Shamshabad,
Hyderabad - 500108

Statutory Auditors

S.R.Batliboi & Associates LLP

Chartered Accountants, The Skyview 10,
18th Floor, Zone B, Survey No.83/1,
Raidurgam, Hyderabad - 500032,
Telangana

Internal Auditors

KPMG

Salarpuria Knowledge City, Orwell,
6th Floor, Unit-3, Sy. No. 83/1, Plot No 2,
Raidurg, Hyderabad-500034

Cost Auditors

GA & Associates

Flat No. S1, Property # 267,
'Lakshmi Nivas', Mariyappana Palya Road,
I Block, Gnanabharathi, Nagadevanahalli,
Bengaluru - 560056

Secretarial Auditor

MKS & Associates

Practicing Company Secretaries

Flat No. 402, 4th Floor,
Mahadev Residency, Hill Top Colony,
Erramanzil, Hyderabad - 500082

Tax Advisors

GP Associates

Flat No. 603, 6th Floor,
Cyber Heights, behind NTR Trust
Bhavan Road No. 2, Banjara Hills,
Hyderabad - 500034

Bankers

State Bank of India

SME Branch, S No 7/3, MRN Signature,
Vishwamanava Double Road,
Saraswathipuram, Mysuru - 570009

HDFC Bank

Ground Floor, New Kantharaje Urs Road,
Saraswathipuram, Mysore - 570009

Federal Bank

Bangalore Nilgiri Road,
Lashkar Mohalla, Mysore - 570001

AXIS Bank

Corporate Banking branch, Nitesh Time
Square, No.8, Level 3, MG Road,
Bengaluru - 560001

Company Secretary & Compliance Officer

S Krithika (M.No. A37001)
Plot No. 5G, Survey No. 99/1, Mamidipalli
Village, GMR Aerospace & Industrial Park, Rajiv
Gandhi International Airport, Shamshabad,
Hyderabad - 500108
company.secretary@cyientdml.com

Registrar & Share Transfer Agents

KFin Technologies Limited

Selenium Building, Tower-B, Plot No. 31 & 32,
Financial District, Gachibowli,
Hyderabad - 500032 Tel: +91 40 6716 1562

WE ARE COMMITTED TO BUILDING A SUSTAINABLE TOMORROW TOGETHER

Our Practices

No Plastic
Use



Tree Plantation
Drives



Waste
Management



Rain Water
Harvesting



BOARD OF DIRECTORS

Our Board of Directors contribute extensively through their diverse backgrounds, individual perspectives, and strong leadership experiences at global businesses and institutions. The members actively foster robust debates about the company's long-term strategies, performance, and other significant business issues.



Krishna Bodanapu
Non-Executive Chairman



B.V.R. Mohan Reddy
Non-Executive Director



Rajendra Velagapudi
Managing Director



Jehangir Ardeshir
Independent Director



Vanitha Datla
Independent Director



Pillutla Madan Mohan
Independent Director



Muralidhar Yadama
Independent Director



Ajay Kumar
Independent Director

SENIOR MANAGEMENT

Our senior leadership team cultivates and nurtures new opportunities in our dynamic business landscape. They are at the forefront of providing strategic direction for Cyient DLM's growth. They are crucial in building and sustaining relationships as we design and deliver innovative solutions to our customers.



Anthony Montalbano
Chief Executive Officer



Shrinivas Kulkarni
Chief Financial Officer



Kaushal Jadia
Chief Technology Officer



Joseph Crowley
Head of Sales



Pooja Jamwal
Head of Corporate
Development



Neeraja Polisetty
Head of HR

IN THE MEDIA



Cyient DLM listed on NSE and BSE

Cyient DLM Ltd.'s IPO, valued at ₹592 crore, with a fresh issue of 2.23 crore equity shares, got listed on the NSE and BSE on July 10, 2023. The stock was listed at ₹403 per share on the NSE and at ₹401 per share on the BSE which was 52.1% and 51% higher respectively than the issue price.

Cyient DLM CEO featured in EMSNOW

Cyient DLM CEO, Anthony Montalbano, got featured in EMSNOW, a leading platform in the electronics manufacturing and design sector, where he talked about our distinct approach, the thinking behind the company's growth strategies, and his pioneering views on the overall EMS industry in India.





Cyient DLM inaugurated a new precision machining facility in Bengaluru

Cyient DLM inaugurated a new precision machining facility in Bengaluru on December 14, 2023. The new facility has a capacity of 60,000 hours per annum and has been designed for 3x expansion to elevate the capacity to 180,000 hours per annum with the addition of 20 cutting-edge machines. The new facility has 36,000 sq. ft. of manufacturing area.

Thales signs a joint commitment to act towards a low-carbon future

Cyient and Thales signed a Letter of Intent (LoI), to jointly address climate change across their business value chains. Key initiatives are to be realized at all the manufacturing facilities of Cyient DLM to achieve the CO₂ emission reduction targets.



NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 31st (Thirty First) Annual General Meeting ("AGM") of the Shareholders of the Company will be held on Friday, June 28, 2024, at 11:00 A.M. (IST) through Video Conference (VC) or Other Audio-Visual Means (OAVM) to transact the following business:

I. ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the audited standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the reports of the Board of Directors and the Auditors thereon;
 - b. the audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the report of the Auditors thereon;
2. To appoint a director in place of Mr. Rajendra Velagapudi (DIN: 06507627), who retires by rotation and being eligible, offers himself for re-appointment as a director liable to retire by rotation.
3. To appoint a director in place of Mr. Venkat Rama Mohan Reddy Bodanapu (DIN: 00058215), who retires by rotation and being eligible, offers himself for re-appointment as a director liable to retire by rotation.
4. Reappointment of Statutory Auditors
To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and of the Board of Directors of the Company, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. FRN 101049W/E300004) be and is hereby appointed as the Statutory Auditor of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of 36th (Thirty-sixth) Annual General Meeting to be held in the year 2029 at such remuneration plus applicable taxes and actual out

of pocket expenses incurred in connection with the audit as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized on the said behalf) be and is hereby authorised to do all such acts, deeds, and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

II. SPECIAL BUSINESS

5. To ratify the remuneration payable to M/s. GA and Associates, Cost Accountants (Firm Registration No.000409), Cost Auditors of the Company, for the Financial Year ending March 31, 2024

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. GA and Associates, Cost Accountants (Firm Registration Number: 000409), who were appointed on the recommendations of the Audit Committee by

the Board of Directors as the Cost Auditors, to audit the cost records of the Company for the Financial Year ending March 31, 2025, amounting to ₹70,000 (Indian Rupees Seventy Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT any Director or Key Managerial Personnel of the Company be and are hereby severally authorised for and on behalf of the Company to do all such acts, deeds, matters, and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act, 2013 (the "Act") and Rules made there under (including any statutory modification(s) thereof for the time being in force and as may be enacted from time to time), consent of members be and is hereby accorded to the Board of Directors

(hereinafter called the 'Board' which term shall deemed to include any Committee which Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to give loans to/invest in shares, debentures and all other securities etc., to give corporate guarantees, on behalf of the Company, up to a sum not exceeding ₹400,00,00,000 (Indian Rupees Four Hundred Crores only) in aggregate in Joint Ventures, subsidiaries or any other associate companies/body corporate/SPVs/JVs or other form of entity/entities which the Company may be required to form or acquire or as may be approved by the Board, from time to time, and as they may deem fit, notwithstanding the fact that the said loans/investments/guarantees together with the loans/investments/guarantees already made/provided may exceed 60% of its paid-up share capital free reserves and securities premium account or 100% of its free reserves and securities premium account whichever is more.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, and things as may be appropriate and necessary in the best interest of the Company and its Shareholders for the purpose of making loans/investments/giving guarantees, etc. on behalf of the Company, from time to time or may authorize the officials of the Company to give effect to the foregoing resolution."

By Order of the Board of Directors

For Cyient DLM Limited

S. Krithika

Company Secretary

M. No. A37001

Place: Hyderabad

Date: 23.04.2024

Registered Office

Cyient DLM Limited

Plot No. 5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park,
Rajiv Gandhi International Airport, Shamshabad, Hyderabad – 500 108

CIN: L72200TG1991PLC013134 | Email: company.secretary@cyientdml.com | Website: www.cyientdml.com

Tel: +91 8214282222/4004500

NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio-visual means (OAVM) and passing of Ordinary and Special resolutions by the companies under the Companies Act, 2013" (the "MCA Circular") has allowed the companies to conduct their AGM and EGM through VC or OAVM up to September 30, 2024. In line with the MCA Circular, the Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" (the "SEBI Circular") has relaxed the applicability of Regulation 36(1)(b) of the (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015 for Annual General Meetings (AGMs) and Regulation 44(4) of the LODR Regulations for general meetings (in electronic mode) till September 30, 2024. In compliance with the MCA Circular and SEBI Circular, and the erstwhile MCA and SEBI Circulars issued in this behalf, this AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
 2. As the AGM will be conducted through VC/OAVM, the facility for appointment of proxy by the Members is not available for this AGM, and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
 3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
 4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 5. The relevant details as required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, of Directors seeking appointments/re-appointments is annexed hereto. Refer to Annexure-A.
 6. All the documents referred to in this Notice are available for inspection by the Members. Those who desire to obtain the same may write to ***company.secretary@cyientdlm.com***
 7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
 8. Corporate Shareholders intending to authorize their authorized representatives to attend the AGM are requested to send a certified copy of the board resolution to the company authorizing them to attend and vote on their behalf at the AGM. The scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act together with attested specimen signature(s) of the duly authorised representative(s), be sent to:
 - (i) the Company Secretary at the E-mail: ***company.secretary@cyient.com***
 - (ii) the Scrutinizer at E-mail: ***manishcs31@gmail.com***
 - (iii) a copy marked to ***evoting@kfintech.com***
- The scanned image of the above-mentioned documents should be in the naming format "Corporate Name and Event No."
9. The Register of Members and the Share Transfer Books of the company will remain closed from June 21, 2024, to June 28, 2024 (both days inclusive) in connection with the AGM and for the purpose of dividend.

10. In case of joint holders attending the AGM, the Shareholder whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Shareholders desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries to the Registered Office of the Company at least seven days before the date of the AGM, so that the information requested may be made available.
12. The certificates from the secretarial auditors of the Company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, will be available for inspection by the shareholders at the AGM.
13. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING ANNUAL REPORT:
 - a. In accordance with, the General Circular Nos. 20/2020 dated May 5, 2020, 19/2021 dated December 12, 2021, 21/2021 dated December 14, 2021, and 09/2023 dated September 25, 2023 issued by MCA and Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167, owing to the difficulties involved in dispatching physical copies of the Financial Statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
 - b. The Notice of AGM along with the Annual Report for the Financial Year 2023-2024, will also be available on the Company's website at <https://www.cyientdlm.com>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at <https://bseindia.com> and <https://www.nseindia.com/> respectively, and on the website of KFin Technologies Private Limited ('KFin'/'RTA') at <https://evoting.kfintech.com/>
- c. Procedure for registering the e-mail address and obtaining the Notice and Remote e-Voting instructions by the Shareholders whose e-mail addresses are not registered with the Depositories (in case of Shareholders holding shares in Demat form) or with RTA (in case of Shareholders holding shares in physical form):
 - i. Those Members who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:
 1. Members holding shares in Demat form can get their e-mail ID registered by contacting their respective Depository Participant.
 2. Further, those members who have not registered their e-mail addresses and mobile numbers and in consequence could not be served the Notice, may temporarily get themselves registered with KFin, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
 3. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward.
 - ii. With a view to help us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.
 - iii. Members who have registered their e-mail address, mobile numbers, postal address, and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

14. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

Instructions for e-Voting:

- i. In terms of the provisions of Sections 108 and 109 of the Companies Act, 2013 (the "Act") read with Rule 20 and Rule 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through Electronic Voting System to Members holding shares as on June 21, 2024 (end of day) being the cut-off date fixed for determining voting rights of Members, entitled to participate in the e-Voting process and poll.
- ii. The remote e-Voting period commences on June 25, 2024 (09:00 AM IST) and ends on June 27, 2024 (05:00 PM IST).
- iii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- iv. The details of the process and manner for remote e-voting and e-AGM are explained herein below:
 - Step 1:**
Access to Depositories e-voting system in case of individual shareholders holding shares in demat mode.
 - Step 2:**
Access to KFintech e-voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

- i. Login method for remote e-voting for individual shareholders holding securities in demat mode.

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL	<p>1. User already registered for IDeAS facility:</p> <ol style="list-style-type: none"> i. Visit URL: https://eservices.nSDL.com ii. Click on the "Beneficial Owner" icon under "Login" under the 'IDeAS' section. iii. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting". iv. Click on the company name or e-Voting service provider and you will be redirected to the e-Voting service provider's website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDeAS e-Services</p> <ol style="list-style-type: none"> i. To register click on the link: https://eservices.nSDL.com ii. Select "Register Online for IDeAS" or click on https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp iii. Proceed with completing the required fields. iv. Follow the steps given in point 1. <p>3. Alternatively, by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> i. Open URL: https://www.evoting.nSDL.com/ ii. Click on the icon "Login" available under the 'Shareholder/Member' section. iii. A new screen will open. Enter your User ID (i.e. your sixteen-digit Demat Account number held with NSDL), Password/OTP, and a Verification Code as shown on the screen. iv. Post successful authentication, you will be requested to select the name of the company and the e-Voting service provider's name, i.e. KFintech. v. On successful selection, you will be redirected to the KFintech e-Voting page for casting your vote during the remote e-Voting period.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi/Easiest</p> <ol style="list-style-type: none"> Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com Click on New System Myeasi. Login with your registered User ID and Password. The user will see the e-Voting Menu. The Menu will have links to ESP i.e. KFinTech e-Voting portal. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> The option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1. <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> Visit URL: www.cdslindia.com Provide your Demat account number and PAN number. The system will authenticate the user by sending OTP on the registered mobile number & email as recorded in the Demat Account. After successful authentication, the user will be provided links for the respective ESP, i.e. KFinTech where the e-Voting is in progress.
Individual Shareholders login through their demat accounts/ Website of Depository Participant	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for the e-Voting facility. Once logged in, you will be able to see the e-Voting option. Once you click on the e-Voting option, you will be redirected to the NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against the company name or e-Voting service provider—KFinTech and you will be redirected to e-Voting website of KFinTech for casting your vote during the remote e-Voting period without any further authentication.

Important note:

Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact the NSDL helpdesk by sending a request to evoting@nsdl.co.in or Call at: 022 - 4886 7000 and 022 - 2499 7000
Securities held with CDSL	<i>Please contact the CDSL helpdesk by sending a request to helpdesk.evoting@cdslindia.com; or Contact at Toll-Free number 1800 22 55 33</i>

Instructions for Members for voting during the e-AGM session:

1. The e-Voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. e-Voting during the AGM is integrated with the VC platform and no separate login is required for the same. The Shareholders shall be guided on the process during the e-AGM.
3. Members/shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through the e-Voting system available during the e-AGM.
4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.
5. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members are encouraged to express their views/send their queries in advance mentioning their name, Demat Account Number/Folio number, and email ID. Questions/queries received by the Company till June 26, 2024 (05:00 PM IST) shall only be considered and responded to during the AGM.

OTHER INSTRUCTIONS:

- a. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user ID and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be open from June 25, 2024 (09:00 AM IST) and end on June 26, 2024 (05:00 PM IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- b. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user ID and password provided in the mail received from Kfintech. On successful login, select the 'Post Your Question' option which will be open from June 25, 2024 (09:00 AM IST) and end on June 26, 2024 (05:00 PM IST).
- c. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting User Manual available at the Download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. Md. Mohsin at evoting@kfintech.com or call Kfintech's Toll-Free number 1-800-309-4001 for any further clarifications.
- d. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on June 21, 2024, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-Voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio Number/DP ID Client ID, the member may send an SMS: MYEPWD<space> e-Voting Event Number+Folio Number or DP ID Client ID to 9212993399
 1. Example for NSDL
 2. MYEPWD<SPACE>IN12345612345678
 3. Example for CDSL
 4. MYEPWD<SPACE>1402345612345678
 5. Example for Physical
 6. MYEPWD<SPACE>XXXX1234567890

- ii. If the e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click on "Forgot Password" and enter Folio Number or DP ID Client ID and PAN to generate a password.
 - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at the Toll-Free number 1-800-309-4001 or write to them at evoting@kfintech.com
- f. **Scrutinizer:** The Company has appointed Mr. Manish Kumar Singhania of MKS & Associates, Practicing Company Secretaries having their address at Flat No. 402, 4th Floor, Mahadev Residency, Hill Top Colony, Erramanzil, Hyderabad, Telangana-500 082, India, as the Scrutinizer to conduct the voting process (e-Voting and poll) in a fair and transparent manner.
- g. The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 - Re-appointment of Statutory Auditors

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members at the twenty-sixth Annual General Meeting ("AGM") of the Company held on July 17, 2019,

had approved the appointment of M/s. S.R. Batliboi & Associates LLP (Firm Registration No. 101049W/E300004, as Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of that AGM till the conclusion of the thirty- first AGM.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on April 23, 2024, proposed the re-appointment of M/s. S.R. Batliboi & Associates LLP (Firm Registration No. 101049W/E300004), as the Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of thirty-first AGM till the conclusion of thirty-sixth AGM of the Company to be held in the year 2029, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors.

S.R. Batliboi & Associates LLP have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

M/s. S.R. Batliboi & Associates LLP (Firm Registration No. 101049W/E300004), is a limited liability partnership firm of Chartered Accountants, registered with the Institute of Chartered Accountants of India. It has registered office at 22 Camac Street, 3rd Floor, Block C, Kolkata - 700016. The audit firm is part of S.R. Batliboi & Associates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

Item No. 5 – To ratify the remuneration of Cost Auditors

In terms of Section 148 of the Companies Act, 2013 ('the Act') and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditor.

Further, Rule 14 of the Companies (Audit and Auditors) Rules 2014, requires that the remuneration payable to the Cost Auditor as recommended by the Audit Committee be ratified by the Shareholders. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on April 23, 2024, had re-appointed M/s. GA and Associates, Cost Accountants (Firm Registration Number: 000409), for conducting the Cost Audit for the Financial Year 2024-25 on a remuneration of ₹70,000 (Indian Rupees Seventy Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit.

The Company has received a certificate from the Cost Auditors confirming their independence and arm's length relationship with the Company and their willingness to act as Cost Auditors of the Company.

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditor by passing an Ordinary Resolution as set out in Item No. 5 of the Notice.

None of the Directors or Key Managerial Personnel is concerned or interested financially or otherwise in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the Shareholders.

Item No. 6 – Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act, 2013

The Board of Directors of the Company have been permitted to make investments in the securities of other bodies corporate to the extent of 60% of its paid-up Share Capital and free reserves and securities premium account or 100 % of its free reserves and securities premium account, whichever is higher, in terms of Section 186 of the Companies Act, 2013, from time to time, for business purposes.

Pursuant to Rule 11(1) of the Companies (Meetings of Board and its Powers) Rules, 2014 in relation to any acquisition by a holding company by way of subscription, purchase, or otherwise of the Securities of its wholly owned subsidiary company, the requirement of passing a special resolution under Section 186(3) of the Companies Act, 2013 shall not apply.

Section 186 provides that where the aggregate of investments made exceeds the prescribed limits, prior approval of the Members by way of a Special Resolution is required. Considering the increasing business operations and future growth plans of the Company which would require making investments in the securities of other bodies corporate, including subsidiaries, joint ventures, and associates, over a period of time, exceeding the higher of 60% of its paid-up Share Capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, it is necessary to empower the Board to acquire by way of subscription, purchase or otherwise the securities of body corporate(s) in India or abroad, for an amount of ₹400,00,00,000 (Indian Rupees Four Hundred Crores only).

The Board recommends passing of the Resolution set out in Item No. 6 as a Special Resolution.

None of the Directors or Key Managerial Personnel is concerned or interested financially or otherwise in this Resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the Shareholders.

Additional information on Directors recommended for appointment/ reappointment as required under Regulation 36 of the SEBI Listing Regulations and applicable secretarial standards:



Rajendra Velagapudi - Brief Resume

Rajendra Velagapudi holds a bachelor's degree in technology (Mechanical) from the Faculty of Engineering, Nagarjuna University, a master's degree in engineering in Automobile Engineering from Anna University, Madras and a degree of Master of Science in Design of Rotating Mechanics from School of Mechanical Engineering, Cranfield University.

Prior to joining our Company, he worked with Ford Truck Manufacturing Division, Simpsons Co. Ltd. for a period of two years, Bajaj Tempo Limited, and Bharat Earth Movers Limited for a period of over eight years.

DIN	: 06507627
Nationality	: Indian
Date of birth/Age	: June 2, 1963 / 61 Years
Educational Qualifications	: Bachelor's degree in technology (Mechanical) - Faculty of Engineering, Nagarjuna University Master's Degree - Engineering in Automobile Engineering from Anna University, Madras Degree of Master of Science in Design of Rotating Mechanics from the School of Mechanical Engineering, Cranfield University
Experience	: As mentioned in the brief resume
Nature of expertise in specific functional areas;	: Operations and Technology
Date of first appointment on the Board of the Company	: April 25, 2017
Disclosure of relationships between directors inter-se	: Nil
Names of listed entities in which the Director also holds the directorship	: Nil
Names of listed entities in which the Director holds membership of Committees of the board	: Nil
Listed entities from which the person has resigned in the past three years	: NIL
Shareholding in the Company	: 1460 equity shares of ₹10 each
Terms and Conditions of Appointment	: Director who retires by rotation and being eligible, offers himself for re-appointment as a director liable to retire by rotation
The number of meetings of the Board attended during the year	: 09
Directorships of other Boards (other than listed Companies)	: Nil
Membership/ Chairmanship of Committees of other Boards (other than listed Companies)	: Nil



**VENKAT RAMA MOHAN
REDDY BODANAPU**

B.V.R Mohan Reddy - Brief Resume

As Founder Chairman of Cyient Limited, B.V.R. Mohan Reddy contributes to the organization's global brand and purpose. Mohan acts as a sounding board, mentor, and critic in the spirit of enabling sustainable growth, especially in matters related to strategy, values, policy, CSR and government relations. Mohan promotes the highest standards of integrity and corporate governance, particularly at the board level.

Mohan founded Cyient (earlier, Infotech Enterprises) in 1991, with the vision of providing engineering services to global markets. He established the "Engineered in India" brand and led Cyient to contribute more than \$5 billion in cumulative exports to several international customers, including many Fortune 100 companies.

Mohan served as Chairman of NASSCOM in 2015-16 and has been a member of its Executive Council since 2003, and continues to shape the industry agenda. He served as the Chairman of CII, Southern Region, in 2008-2009 and currently serves for B20 Brazil as co-chair on task force for Education and Employment. Mohan is also the Founding Director of T-Hub, the largest start-up incubation center in India.

Mohan has taken up several leadership positions to promote higher education. At present, he is the Chairman of the Board of Governors of IIT Hyderabad and IIT Roorkee. He was on the Leadership Advisory Board (LAB) at the University of Michigan College of Engineering, USA till May 2024, and a member of the Court of Governors of Administrative Staff College of India (ASCI). Mohan received the Padma Shri, India's fourth-highest civilian award, in 2017 for his contribution to trade and industry. He is the recipient of the Distinguished Leadership Award of the American Society of Mechanical Engineers (CIE Division). He was conferred Lifetime Achievement Awards by the Hyderabad Management Association (HMA), Hyderabad Software Enterprises Association (HySEA), the Centre for Organization Development (COD), Geospatial World Forum (2022) and The Dataquest magazine (2023) recognizing his industry leadership, corporate excellence, and institution building. A recipient of the Distinguished Alumnus Award from IIT Kanpur, Mohan is also a fellow of the Institution of Engineers (India).

Mohan holds postgraduate degrees in engineering from IIT Kanpur and the University of Michigan, USA. He is the recipient of several honorary doctorates from highly reputed universities.

DIN	: 00058215																		
Nationality	: Indian																		
Date of birth/Age	: October 12, 1950 / 73 Years																		
Educational Qualifications	: Master of Science – Industrial & Operations Engineering - The University of Michigan, Ann Arbor, Michigan, USA. Master of Technology – Mechanical Engineering - IIT, Kanpur Bachelor of Technology - Mechanical Engineering - College of Engineering, Andhra University																		
Experience	: As mentioned in the brief resume																		
Nature of expertise in specific functional areas;	: Innovation and Entrepreneurship																		
Date of first appointment on the Board of the Company	: December 27, 2022																		
Disclosure of relationships between directors inter-se	: Mr. Krishna Bodanapu is the son of Mr. B.V.R. Mohan Reddy.																		
Names of listed entities in which the Director also holds the directorship	: <table border="1"> <thead> <tr> <th>Name of the Listed Entity</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>CYIENT LIMITED</td> <td>Founder Chairman, Non-Executive Director</td> </tr> </tbody> </table>	Name of the Listed Entity	Category	CYIENT LIMITED	Founder Chairman, Non-Executive Director														
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CYIENT LIMITED	Founder Chairman, Non-Executive Director																		
Names of listed entities in which the Director holds membership of Committees of the board	: <table border="1"> <thead> <tr> <th>Name of the Listed Entity</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>CYIENT LIMITED</td> <td>Member, Stakeholder Relationship Committee</td> </tr> </tbody> </table>	Name of the Listed Entity	Category	CYIENT LIMITED	Member, Stakeholder Relationship Committee														
Name of the Listed Entity	Category																		
CYIENT LIMITED	Member, Stakeholder Relationship Committee																		
Listed entities from which the person has resigned in the past three years	: NIL																		
Shareholding in the Company	: NIL																		
Terms and Conditions of Appointment	: Director who retires by rotation and being eligible, offers himself for re-appointment as a director liable to retire by rotation																		
The number of meetings of the Board attended during the year	: 09																		
Directorships of other Boards (other than listed Companies)	: <table border="1"> <thead> <tr> <th>Name of the Entity</th> <th>Category</th> </tr> </thead> <tbody> <tr> <td>Vizag IT Park Limited</td> <td>Director</td> </tr> <tr> <td>T-Hub Foundation</td> <td>Director</td> </tr> <tr> <td>Saranam Ventures Private Limited</td> <td>Director</td> </tr> <tr> <td>Infocad Enterprises Private Limited</td> <td>Director</td> </tr> <tr> <td>Cyient Urban Micro Skill Centre Foundation</td> <td>Director</td> </tr> <tr> <td>Kritsnam Technologies Private Limited</td> <td>Director</td> </tr> <tr> <td>IIT Kanpur Development Foundation</td> <td>Director</td> </tr> <tr> <td>Scient Development Foundation</td> <td>Director</td> </tr> </tbody> </table>	Name of the Entity	Category	Vizag IT Park Limited	Director	T-Hub Foundation	Director	Saranam Ventures Private Limited	Director	Infocad Enterprises Private Limited	Director	Cyient Urban Micro Skill Centre Foundation	Director	Kritsnam Technologies Private Limited	Director	IIT Kanpur Development Foundation	Director	Scient Development Foundation	Director
Name of the Entity	Category																		
Vizag IT Park Limited	Director																		
T-Hub Foundation	Director																		
Saranam Ventures Private Limited	Director																		
Infocad Enterprises Private Limited	Director																		
Cyient Urban Micro Skill Centre Foundation	Director																		
Kritsnam Technologies Private Limited	Director																		
IIT Kanpur Development Foundation	Director																		
Scient Development Foundation	Director																		
Membership/ Chairmanship of Committees of other Boards (other than listed Companies)	: <table border="1"> <thead> <tr> <th>Name of the Entity</th> <th>Particulars</th> </tr> </thead> <tbody> <tr> <td>T-Hub Foundation</td> <td>Member- Nomination and Remuneration Committee</td> </tr> </tbody> </table>	Name of the Entity	Particulars	T-Hub Foundation	Member- Nomination and Remuneration Committee														
Name of the Entity	Particulars																		
T-Hub Foundation	Member- Nomination and Remuneration Committee																		

BOARD'S REPORT

Dear Members,

Your directors take pleasure in presenting the Thirty First (31st) Director's Report on the business and operations of your Company, along with the audited financial statements for the Financial Year ended March 31, 2024.

This being the first Annual Report after the Initial Public Offer (IPO) and listing of the equity shares on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) (BSE and NSE hereinafter collectively referred to as "Stock Exchanges"), the Board welcomes all the public shareholders and looks forward to your faith and support in the times to come.

1. Financial Summary and Highlights

(Amount in ₹ Million, except for EPS data)

Particulars	Standalone	
	FY2023-24	FY2022-23
Revenue from operations	11,918.71	8,320.33
Other income	278.26	63.11
Total Income	12,196.97	8,383.44
Expenses		
Operating expenditure	10,808.59	7,442.53
Depreciation and amortization expense	223.12	194.15
Total Expenses	11,031.71	7,636.68
Profit before finance cost, tax	1,165.26	746.76
Finance Cost	343.87	315.16
Exceptional Item	-	-
Profit Before Tax (PBT)	821.39	431.60
Current tax	212.09	129.71
Deferred tax	-2.66	-15.38
Profit After Tax (PAT)	611.96	317.27
Basic EPS	8.42	7.75
Diluted EPS	8.39	7.75
Paid up share capital	793.06	528.66
Other Equity	8,296.72	1,450.06

Note: Your company has incorporated a Wholly Owned Subsidiary (WoS) Cyient DLM Inc. in the US on March 05, 2024, and is yet to commence operations. Since there is no change between standalone and consolidated figures, consolidated column is not provided separately. Accordingly, the Company has not provided consolidated performance of the Company and its' subsidiaries in this report.

Financial Performance

Basic EPS for the year FY24 is 8.42 as against 7.75 in FY 23.

(Amount in ₹ million)

Sr. No.	Particulars	FY2023-24	FY2022-23	% Increase/ Decrease (YoY)
1.	Revenue from Operations	11,919	8,320	43.2%
2.	Profit for the year	612	317	92.9%

Transfer to Reserves

The Company has not transferred any amount to reserves during the year under review.

Dividend

The Board does not recommend any dividend for FY24.

Dividend Distribution Policy

Your Company has in place the Dividend Distribution Policy for the purpose of declaration and payment of dividend in accordance with the provisions of the Companies Act, 2013 (the "Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The Dividend Distribution Policy is available on the website of the Company at https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient_DLM-Dividend_Distribution_Policy.pdf under Investors section.

2. State of Affairs and Material Events

Your Company is a leading Integrated Electronics Manufacturing Solutions provider that offers Design Led Manufacturing (DLM) solutions to customers. It takes ownership of design, manufacturing, testing, and certification support to ensure that customers' products meet robust reliability, safety, and performance standards.

Your Company's global presence and a strong commitment to delivering value-driven solutions, has been instrumental in transforming businesses through innovation and technology.

Management Discussion and Analysis Report

Information on the operational and financial performance of the Company is given in the Management Discussion and Analysis Report, which is annexed to this report and is in accordance with the Listing Regulations (Annexure - A).

Material Events

Initial Public Offering

The Board of Directors of your company had approved the proposal of the initial public issue of shares ("Equity Shares") of up to ₹ 7,400.00 million at their meeting held on December 13, 2022.

Pursuant to resolutions passed by the Board of Directors and Shareholders at their meetings dated May 19, 2023 and May 31, 2023, respectively, your Company has undertaken the Pre-IPO Placement of 4,075,471 Equity Shares aggregating to ₹ 1,080.00 million.

The Initial Public Offer of your Company, comprising fresh issue of 22,364,653 equity shares aggregating to ₹5,920.00 million opened for subscription (on June 26, 2023, closed on June 26, 2023, for anchor investors) on June 27, 2023, and closed on June 30, 2023. The Issue Price for the equity shares of ₹10 each was fixed at ₹265 per equity share pursuant to a resolution passed by the Board on July 1, 2023.

Your Company completed its IPO successfully with the issue being over-subscribed 71 times. The Board is gratified and humbled by the faith shown in the Company by its members.

Your Company received listing and trading approvals from BSE and NSE on July 7, 2023. The Equity Shares were listed on the Stock Exchanges on July 10, 2023.

Change in Registered Office

The Board of Directors of your Company approved shifting of the registered office, at their meeting held on October 16, 2023. Pursuant to the approval received from the Ministry of Corporate Affairs on November 6, 2023, the registered office of the company was shifted from 3rd floor, Software Units Layout, Infocity, Madhapur, Hyderabad – 500 018 to Plot no. 5G, Survey No. 99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad-500 108.

Setting up of new precision machining facility in Bengaluru

To complement the expanding machining business, your Company's Bengaluru unit was shifted from an existing facility in Rajajinagar, Bengaluru to a new facility in Peenya, Bengaluru. The new facility has a capacity of 60,000 hours per annum, and has been designed for 3x expansion, to elevate the capacity to 180,000 hours per annum with the addition of 20 cutting-edge machines. The new facility has 36,000 sq. ft. of manufacturing area.

Change in the nature of business of the Company

There has been no change in the nature of the business of the Company during FY24.

3. Share Capital

3.1 Particulars of the Share Capital of the Company as on March 31, 2024

Particulars	Amount (₹)
Authorized share capital (8,50,00,000) Equity Shares of ₹10 each)	85,00,00,000
Issued, subscribed and paid-up share capital (7,93,06,124) Equity Shares of ₹10 each)	79,30,61,240

3.2 Changes in the Share Capital during FY24

- The Company has issued and allotted 40,75,471 equity shares of ₹10 each at a premium of ₹255/- per share aggregating to ₹1,080 Mn through private placement/preferential basis to Amansa Investments Limited on June 6, 2023.

- The Company has issued and allotted 22,364,653 equity shares of ₹10 each at a premium of ₹255/- per share thereby raising ₹5,920.00 million through an IPO on July 5, 2023.

The Company has taken necessary approvals of the Board and Shareholders for the aforesaid issue of Equity Shares.

3.3 Details of Utilization of funds raised through IPO is provided as Annexure - B

4. ESOP

The Company views Options as a long-term incentive tool that would enable the employees not only to become co-owners, but also to create wealth out of such ownership in future. The Company uses its Employees Stock Option Plans in compliance with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (the '**SBEB & SE Regulations**') as a measure to reward and motivate employees and attract and retain talent.

The Board, in their meeting held on July 21, 2023, approved and recommended for members' approval the Cyient DLM Associate Stock Option Plan 2023 (ASOP Scheme 2023) and Cyient DLM Restricted Stock Unit Plan 2023 (RSU 2023).

The members of your Company through postal ballot had approved the ASOP Scheme 2023 and RSU 2023 on September 9, 2023. On September 13, 2023, your Company had applied to Stock Exchanges (NSE and BSE) for an in-principle approval for listing of up to 10,56,173 equity shares pursuant to Cyient DLM ASOP 2023 and up to 15,84,260 equity pursuant to Cyient DLM RSUP 2023.

In-principle approval was received from NSE and BSE on September 27, 2023 and September 28, 2023 respectively.

During the year, the company had not granted any options to the associates of the Company.

The applicable disclosures as stipulated under the SBEB & SE Regulations are provided in Annexure - C to this Report.

5. Subsidiaries, Associate Companies and Joint Ventures

Your Company has one (1) wholly owned subsidiary as on March 31, 2024. The Company has no Joint Ventures or Associate Companies.

Cyient DLM Inc.

Corporate Information

Cyient DLM Inc. was incorporated under the General Corporation Law of the State of Delaware on March 5, 2023, having its Registered Office in the state of Delaware.

Shareholding Pattern

The shareholding pattern of Cyient DLM Inc. as on March 31, 2024, is as provided below:

Name of the Shareholder	Number of Common Stock	Percentage of the Issued and Paid-up Share Capital (%)
Cyient DLM Limited	Nil	Nil

Note: The Company had subscribed to 10,00,000 common stock of Cyient DLM Inc. on April 04, 2024.

As per the provisions of Sections 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary companies/ associate companies/JV in Form AOC-1 is published as a part of the Annual Report. Kindly refer to Annexure - D.

In accordance with Section 136 of the Act and the SEBI Listing Regulations, copies of the financial statements of the Company is available on the Company's website at the following link: <https://www.cyientdml.com/investors/keyfinancials>

6. Business Responsibility and Sustainability Report

In pursuance of Regulation 34 of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is enclosed with this report. Kindly refer to Annexure - E. The weblink for the same is available at <https://www.cyientdml.com/investors>

7. Public Deposits

Your Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Act during FY24 and as such, no amount on account of principal or interest on deposits from the public was outstanding as on the date of the balance sheet.

8. Corporate Social Responsibility

Your Company believes in giving back to society in a measure that is proportionate to its success in business. Cyient DLM CSR Activities are implemented through Cyient Foundation. The interventions are specifically covering the underprivileged children and unemployed women by providing equal opportunities and thereby empowering them towards a dignified life and socio-economic development of the community. Cyient DLM also focuses on environmental sustainability through Green Interventions and Conservation projects.

Cyient DLM had supported 4 government schools through adoption in and around our Cyient DLM facilities and provides quality education to over 1300 underprivileged children. In FY2023-24, trained over 500 rural unskilled/semiskilled girls on industry relevant skills and provided 100% job placements. As a part of the environmental initiatives, we planted over 5,000 trees in and around Cyient DLM, adopted two schools, one in Shamshabad, Telangana and other in Rural Micro Skill Centre, Mahabubnagar, Telangana, illuminated the streets by installation of electric poles with LED lights that have solar panels backed by batteries to run on renewable energy for the benefit of local community around Cyient DLM facilities.

During FY24, the Company spent an amount of ₹72,76,354 in pursuance of CSR Activities. The CSR Annual Report is enclosed with this report. Kindly refer to Annexure - F.

The details of the CSR & ESG Committee can be found in the report on Corporate Governance, which forms a part of this report. The CSR Policy of the Company can be accessed at the Company's website. The weblink for the same is https://www.cyientdml.com/hubfs/dml/investor/corporate-governance/Cyient_DLM-CSR_Policy.pdf

9. Board of Directors & Key Managerial Persons

9.1 Board of Directors

The Board of the Company is duly constituted. As on March 31, 2024, your Company's Board had eight (8) directors comprising of one Executive Director, two Non-Executive Non-Independent Directors and five Non-Executive Independent Directors including a woman Director. The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

None of the directors of the Company are disqualified under the provisions of the Act or under the SEBI Listing Regulations.

9.2 Board Diversity

The Company has a truly diverse Board that includes and makes good use of diversity in skills, regional and industry experience, background, race, gender, ethnicity, and other distinctions among directors. This diversity is considered in determining the optimum composition of the Board. All Board appointments are made on merit, in the context of skills, experience, independence and knowledge that the Board as a whole requires to be effective.

9.3 Independent Directors

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations.

9.4 Certificate from Company Secretary in practice

The Certificate on Non-Disqualification of Directors pursuant to Regulation 34(3) and Schedule V Para C, Clause 10 (i) of the SEBI Listing Regulations is published in the Annual Report. Kindly refer to Annexure - G.

9.5 Registration of Independent Directors in Independent Directors databank

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

9.6 Changes in the composition of Board of Directors

9.6.1 Appointments during the year

- Mr. Muralidhar Yadama (DIN: 00034952) was appointed as Non-Executive Independent Director for a term of three consecutive years commencing on July 21, 2023. Mr. Muralidhar Yadama is not liable to retire by rotation.
- Dr. Ajay Kumar (DIN: 01975789) was appointed as Non-Executive Independent Director for a term of three consecutive years commencing on November 15, 2023. Dr. Ajay Kumar is not liable to retire by rotation.

9.6.2 Statement regarding opinion of the Board with regards to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year

In the opinion of the Board, the Independent Directors, Mr. Murali Yadama and Dr. Ajay Kumar, appointed during the year possess requisite integrity, expertise, experience and proficiency.

9.6.3 Re-Appointments (Director liable to retire by rotation)

The following directors retire by rotation and being eligible, offer themselves for re-appointment in the ensuing AGM:

- Mr. Rajendra Velagapudi (DIN: 06507627), Managing Director
- Mr. B.V.R. Mohan Reddy (DIN: 00058215), Non-Executive Director

Pursuant to the provisions of Regulation 36 of the SEBI Listing Regulations and Secretarial Standards 2 on General Meetings issued by

ICSI, brief particulars of the director proposed to be re-appointed are provided as an annexure to the notice convening the AGM.

9.7 Key Managerial Personnel as at the end of FY24

Following are the Key Managerial Personnel (KMP) of the Company in accordance with the provisions of Section 2(51), and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as of March 31, 2024:

Sr. No.	Name of the KMP	Designation
1.	Mr. Rajendra Velagapudi	MD
2.	Mr. Anthony Montalbano	CEO
3.	Mr. Shrinivas Kulkarni	CFO
4.	Ms. S Krithika	Company Secretary

9.8 Changes in composition of KMP

During FY24, Ms. Parvati K. R. resigned as Company Secretary and Compliance Officer and Ms. S. Krithika was appointed as the Company Secretary and Compliance officer.

9.9 Senior Managerial Person as at the end of FY24

Following are the Senior Managerial Personnel (SMP) of the Company in accordance with the provisions of the SEBI Listing Regulations.

Sr. No.	Name of the SMP	Designation
1.	Mr. Kaushal Jadia [#]	Chief Technology Officer
2.	Ms. Neeraja Polisetty	Head of HR
3.	Ms. Pooja Jamwal	Head of Corporate Development
4.	Mr. Joseph Crowley	Head of Sales
5.	Ms. Suchitra R C	Head of EMS
6.	Mr. Prashant Mokashi	Head – Program Management
7.	Mr. Ram Dornala [*]	Chief Operating Officer

[#]Appointed w.e.f January 23, 2024

^{*}Ceased to be Chief Operating Officer w. e. f April 03, 2024.

The details about the composition of Board, KMP, SMP and the committees of the board can be found in the Report of Corporate Governance, which a forms a part of this report.

10. Policy On Directors' Appointment and Remuneration and Other Details

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the report on Corporate Governance, which forms part of the directors' report. The weblink for the same has been disclosed separately at the end of this report.

10.1 Criteria for making payments to Non-Executive Directors

Overall remuneration should reflect the size of the Company, complexity of the sector/industry/ company's operations and the company's capacity to pay the remuneration. Independent Directors (ID) and Non-Independent Non-Executive Directors (NED) may be paid commission within regulatory limits.

The Nomination and Remuneration Committee will recommend to the Board, the quantum of commission for each Director based on the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by Directors other than in meetings. The criteria of making payments to Non-Executive directors are also available on the website of the Company – www.cyientdlm.com/investors

11. Board Meetings during the year

During FY2023-24, nine (9) meetings of the Board were held, the details of which have been disclosed in the report on Corporate Governance, which forms a part of this report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

12. Board Evaluation and Assessment

The Company believes that formal evaluation of the board and of individual directors on an annual basis is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the Company, evaluations provide an ongoing means for directors to assess their individual and collective performance and effectiveness.

The parameters for performance evaluation of the Board include the Board structure, the Board's role in governance, the dynamics and functioning of the Board, reporting, and internal control systems.

Some of the performance indicators for the Committees include understanding the terms of reference, the effectiveness of discussions at the Committee meetings, the information provided to the Committee to discharge its duties, and the performance of the Committee vis-à-vis its responsibilities.

The performance of individual directors was evaluated based on parameters such as attendance at the meeting(s), contribution to Board deliberations, engagement with colleagues on the Board, ability to guide the Company in key matters, knowledge, and understanding of relevant areas, and responsibility towards stakeholders.

All the Directors were subject to self-evaluation and peer evaluation.

In order to facilitate the same, the board undertook a formal board assessment and evaluation process during FY24. The Board evaluation cycle was completed internally, led by the Independent Chairman of the Nomination and Remuneration Committee (NRC).

13. Committees of the Board

As required under the provisions of the Act and the SEBI Listing Regulations, as on March 31, 2024, the Board has the following committees:

- Audit Committee;
- Nomination & Remuneration Committee;
- Risk Management Committee;
- Stakeholders Relationship Committee;
- CSR & ESG Committee

During the year, all recommendations made by the Committees were approved by the Board. A detailed note on the composition of the various Committees is provided in the report on Corporate Governance, which forms a part of this report.

14. Adequacy of Internal Financial Controls

Internal Financial Controls are part of the Risk Management process addressing financial and financial reporting risks. They ensure the orderly and efficient conduct of business, including adherence to Company policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records. They aid in the timely preparation of financial statements. The Internal Financial Controls have been documented, digitized, and embedded in the business process. The Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024

15. Auditors

15.1 Statutory Auditors

At the 26th (Twenty Sixth) AGM held on July 17, 2019, the members had approved the appointment of S. R. Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 101049W/E300004) as the Statutory Auditors of the Company to hold office for a period of five years from the

conclusion of that AGM till the conclusion of the 31st (Thirty First) AGM.

Appointment of Statutory Auditors in the AGM

Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the re-appointment of S. R. Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 101049W/E300004) for a second term of 5 consecutive years till March 31, 2029.

15.2 Internal Auditors

Pursuant to Section 138 of the Act & rules made thereunder KPMG (Registration Number FRM-101248W/W-100022) are appointed as Internal Auditors of the Company and continue to be the Internal Auditors for FY25 to review various operations of the Company and report their findings to the Audit Committee.

15.3 Cost Auditors

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Board at its meeting held on April 23, 2024, has approved the appointment of M/s GA & Associates, Cost Accountants, (FRN: 000409) as Cost Auditors of the Company for audit of cost accounting records for FY 25.

M/s GA & Associates, Cost Accountants, have confirmed their independent status and their non-disqualifications under section 141 of the Companies Act, 2013.

A proposal for ratification of remuneration of the Cost Auditor for FY25 will be placed before the shareholders for consideration.

15.4 Secretarial Auditors

The Board has appointed MKS & Associates (Reg. No. S2017TL460500), Practising Company Secretaries as the Secretarial Auditors for FY2024-25.

16. Cost Audit

In terms of the Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost accounting records and get them audited every year from Cost Auditor and accordingly such accounts and records are made and maintained by your Company.

17. Auditors' Report and Secretarial Auditors' Report

17.1 Auditor's Report

The Auditors' Report for FY24 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

17.2 Secretarial Auditors' Report

The Company has undertaken an audit for FY24 as required under the Act and the SEBI Listing Regulations. The Secretarial Auditors' Report for FY24 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report for the financial year ended March 31, 2024, is enclosed in this report. Kindly refer to Annexure G.

17.3 Instances of fraud reported by the Auditors

During FY24, the Statutory Auditors and the Secretarial Auditor have not reported any instances of fraud committed in the Company by its officers or employees under section 143(12) of the Act to the Central Government or the Audit Committee under section 143(12) of the Companies Act.

17.4 Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report for FY24 for all applicable compliance as per SEBI Regulations and Circulars/Guidelines issued thereunder has been duly obtained by the Company.

The Annual Secretarial Compliance Report issued by Mr. Manish Kumar Singhania, Practising Company Secretary Membership No. ACS 22056 (CP No. 8068), has been submitted to the Stock Exchanges within 60 days of the end of the financial year.

18. Vigil Mechanism

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for employees and others to report concerns about unethical behaviour. It also provides adequate safeguards against victimisation of employees who avail themselves of this mechanism. No person has been denied access to the Chairman of the Audit Committee.

The Whistle blower Policy is available on the website of the Company - https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient_DLM-Whistle_Blower_Policy.pdf. The Company has implemented a web-based/online mechanism under its Whistle Blower Policy. This mechanism encompasses the entire trail from the login of a complaint to its eventual redressal.

19. Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 are enclosed with this report. Kindly refer to Annexure - J.

20. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed, and there are no material departures;
- They have selected such accounting policies, and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and, such internal financial controls are adequate and operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Particulars of Loans, Guarantees And Investments

Your company has invested in the equity shares of STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited) aggregating to 15% of the paid-up equity share capital of the Statum.

Particulars of loans given, investments made, guarantees given and securities provided, along with the purpose for which the loan, guarantee, or security is proposed to be utilised by the recipient, are provided in the Standalone Financial Statements. (Kindly refer note no. 6 to the Standalone Financial Statements).

22. Related Party Transactions

The Company has complied with the provisions of section 188(1) of the Act dealing with related party transactions. The information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and is enclosed with this report. Kindly refer to Annexure - K. Reference is also made to note no. 30 of the Standalone Financial Statements.

23. Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return for FY24, is placed on the Company's website in due course and can be accessed at <https://www.cyientdlm.com/investors>

24. Particulars of Employees

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

I. Disclosures as per Rule 5(1):

a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

i) Executive Directors:

Name	DIN	Designation	Ratio to Median remuneration
Rajendra Velagapudi	06507627	Managing Director	N.A

ii) Non-Executive/Independent Directors:

Name	DIN	Designation	Ratio to Median Remuneration
B.V.R. Mohan Reddy	00058215	Director	*
Krishna Bodanapu	00605187	Director	*
Jehangir Ardeshir	02344835	Director	2.73
Vanitha Datla [^]	00480422	Director	2.73
Pillutla Madan Mohan	09280818	Director	2.73
Muralidhar Yadama [#]	00034952	Director	2.04
Ajay Kumar ^{**}	01975789	Director	1.14

The directors are paid remuneration in the form of commission.

*Non-executive Non-Independent Directors did not receive any remuneration

[^] Based on the request from the Director, the entire compensation payable for FY 2023-24 was transferred to SPARSH HOSPICE (Centre for Palliative Care)

[#]appointed w.e.f July 21, 2023

^{**}appointed w.e.f November 15, 2023

- b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the Financial Year:

Name	Designation	% Increase in Remuneration in the Financial Year
Rajendra Velagapudi	Managing Director	N.A
Anthony Montalbano	Chief Executive Officer	**
B.V.R. Mohan Reddy	Director	0
Krishna Bodanapu	Director	0
Jehangir Ardeshir	Director	0
Vanitha Datla	Director	0
Pillutla Madan Mohan	Director	0
Muralidhar Yadama	Director	0
Ajay Kumar	Director	0
Shrinivas Kulkarni	Chief Financial Officer	**
S. Krithika	Company Secretary	N.A

**Employed for part year in FY 22-23

- c) The percentage increase in the median remuneration of employees in the financial year: 10%
- d) The number of permanent employees on the rolls of Company: 722
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The average annual increase was around 87% and the average annual increase of managerial personnel - N.A.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

II) Disclosures as per Rule 5(2):

The names of the top ten employees in terms of remuneration drawn and the name of every employee, who:

- a) If employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two Lakh rupees;
- b) If employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand Rupees per month;

- c) If employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. Considering the first proviso to Section 136(1) of

the Companies Act, 2013, the Annual Report, excluding the said information, is being sent to the shareholders of the Company and others entitled thereto.

In terms of Section 136 of the Act, the said information is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at company.secretary@cyientdlm.com.

25. Loans and advances in the nature of loans to firms/Companies in which directors are interested

The information as required to be provided under Schedule V Para C Clause 10 (m) of the SEBI Listing Regulations forms a part of the report on Corporate Governance enclosed with the Annual Report.

26. Details of Material Subsidiaries of the Listed Entity

The information as required to be provided under Schedule V Para C Clause 10 (n) of the SEBI Listing Regulations forms a part of the report on Corporate Governance enclosed with the Annual Report.

27. Particulars relating to the sexual harassment of women at workplace (Prevention, prohibition and redressal) Act, 2013 (POSH)

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY24.

List of Initiatives under POSH for FY24

- POSH Committee connects every quarter to ensure the complaints (if any) registered are duly discussed with an improved approach on building awareness. Further, the Company continues to have POSH Committee meetings to enhance awareness among associates.
- Awareness and sensitization continue during the induction of associates.
- POSH Committee has been nominated for training in various national and state level forums (CII, etc.).
- Conducted sessions during the year, specifically for all the blue-collar and contract employees in Hyderabad and Bengaluru, on POSH awareness.

There are no pending complaints either at the beginning or at end of the Financial Year. The following is the summary of the complaints received and disposed-off during FY24:

- (a) Number of complaints received: NIL
- (b) Number of complaints disposed: NIL
- (c) Number of complaints pending as on end of FY24: Nil

28. Risk Management

The company pursues a comprehensive Risk Management Programme as an essential element of sound corporate governance and is committed to continuously embedding risk management in its daily culture. This process is followed in five steps:

- Identify risks and opportunities
- Assess risk and performance for key processes
- Evaluate the risk impact across business operations
- Develop mitigation plan for the risks identified and
- Monitor the risks at regular intervals and report to the Risk Management Committee

The company has classified the risks into five categories:

- i) Strategic
- ii) Reputational
- iii) Operational
- iv) Financial
- v) Compliance/Litigation

Each identified risk is assessed according to its probability and impact on the company.

The Board of Directors has formed an internal Risk Management Committee to identify, evaluate, mitigate, and monitor risk management in the company. The Committee comprises cross-functional members from the senior management of the company. The primary objectives of the Committee are to assist the Board in the following:

- To provide oversight for all categories of risk and promulgate a risk culture in the organization.
- To adopt leading Risk Management practices in the industry and manage risk proactively at an organizational level.
- To help develop a culture within the enterprise where people at all levels understand risks.
- Provide input to management on risk appetite and tolerance and monitor the organization's risk on an ongoing basis.
- Approve and review Risk Management Plan which includes the Company's risk management structure, framework, methodologies adopted, guidelines, and details of assurance and review of the Risk Management Process.
- Monitor risks, risk management capabilities and mitigation plans.

More details on the Risk Management Committee of the Board can be found in the report on Corporate Governance. Members may also refer to the Management Discussion & Analysis Report.

29. Corporate Governance

The Company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under the SEBI Listing Regulations forms a part of the Annual Report. Kindly refer to Annexure - L.

Full details of the various Board Committees are also provided therein along with the Auditors' Certificate regarding compliance of conditions of corporate governance in Annexure - M.

30. Declaration by the CEO

Pursuant to the provisions of Regulation 17 of the SEBI Listing Regulations, a declaration by the CEO of the company, declaring that all the members of the Board and the Senior Management Personnel of the company have affirmed compliance with the Code of Conduct of the Company is enclosed in this report. Kindly refer to Annexure - N.

The CEO/CFO certification to the Board pursuant to Regulation 17 of the SEBI Listing Regulations is enclosed to this report. Kindly refer to Annexure - P.

31. Secretarial Standards

The Company is in due compliance with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

32. Other Disclosures

During the Financial Year under review:

- There was no issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- There was no issue of Shares (including Sweat Equity Shares) to associates of the Company under any scheme.
- No shares were bought back during the year under review.
- No Bonus Shares were issued during the year under review.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

- The Company does not have any scheme of provision of money for the purchase of its own shares by Employees or by Trustees for the benefit of employees.
- The Managing Director did not receive any remuneration or commission from any of its subsidiaries.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of a one-time settlement with any Bank or Financial Institution.
- The Company does not have any shares in unclaimed suspense demat account.
- There were no material changes and commitments affecting the financial position of the Company which occurred between the end of financial year to which the financial statement relates on the date of this report. The other changes in commitments are provided in the relevant places of the annual report.
- Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - the company has not made any such valuation during FY24.
- There were no cyber security incidents or breaches, loss of data or documents during FY24.

33. Acknowledgments

The Board of Directors expresses their thanks to the Company's customers, shareholders, vendors and bankers for their support to the company during the year. We also express our sincere appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hardwork, cooperation and support.

Your directors would like to make a special mention of the support extended by the various departments of the Central and State Governments, particularly the Software Technology Parks of India, Development Commissioners - SEZ, Department of Communication and Information Technology, the Direct and Indirect tax authorities, the Ministry of Commerce, the Reserve Bank of India, Ministry of Corporate Affairs/Registrar of Companies, SEBI, the Stock Exchanges and others and look forward to their support in all future endeavours.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place: Hyderabad
Date: 23.04.2024

Krishna Bodanapu
Non- Executive Chairman
DIN:00605187

MANAGEMENT DISCUSSION AND ANALYSIS

Economy Overview

Global Economic Outlook

The outlook for global growth presents a nuanced landscape with risks that are broadly balanced, allowing for the possibility of a soft landing. Projections indicate a global growth rate of 3.1% in 2024 and a modest increase to 3.2% in 2025. This outlook is attributed to the unexpected resilience in the United States and several large emerging market and developing economies. Global headline inflation is projected to decrease to 5.8% in 2024 and further to 4.4% in 2025, with the latter being a downward revision.

Conversely, the downside risks involve potential commodity price spikes due to geopolitical shocks, including ongoing disruptions in the Red Sea, and supply chain disruptions or persistent underlying inflation that could prolong tight monetary conditions. Navigating this delicate balance will require a vigilant and adaptive approach to global economic dynamics, recognizing both the opportunities and challenges that lie ahead.

Global Manufacturing Output Overview

In a positive turn of events, January 2024 marked a significant upswing in global manufacturing output. The year-ahead outlook has also brightened, marked by a surge in business confidence to its highest level since April of last year. This optimistic sentiment reflects a growing belief in the resilience and potential expansion of the manufacturing sector in the coming months. However, navigating the supply chain complexities will be crucial for sustaining and maximizing gains in manufacturing output, emphasizing the need for adaptive strategies in this dynamic economic landscape.

Electronics Manufacturing Outlook

As the year concluded, the global electronics sector continued to face challenges, primarily characterized by weakened client demand. Notably, suppliers' delivery times experienced renewed lengthening, underscoring the complexities in the sector's supply

chain dynamics. A significant contributor to these challenges was the strongest rise in input prices since March 2023. Additionally, the persistent and stubborn inflationary pressures further strained profitability. An escalating number of projects being placed on hold further exacerbated the sector's challenges, hinting at uncertainties and caution in the business environment.

Navigating these challenging conditions will require a strategic approach, encompassing adapting to global economic fluctuations, cost management strategies to mitigate the impact of rising input prices, and innovative solutions to address evolving client demands. The resilience of the global electronics sector will be crucial in overcoming these hurdles and positioning for sustainable growth in the face of continued economic uncertainties.

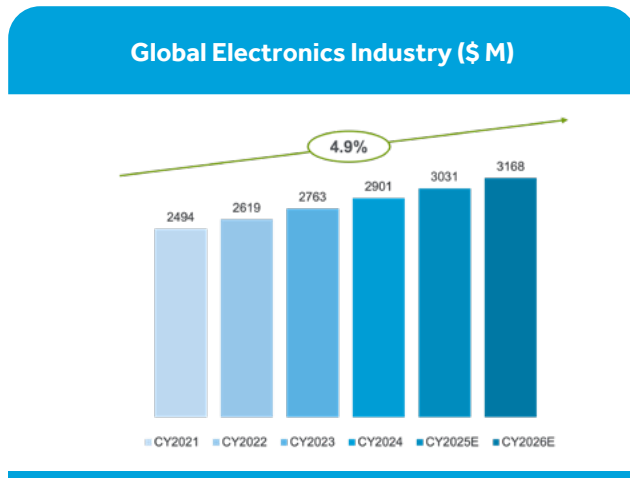
Indian Economy

India's economic outlook for the year 2024 appears promising, with a projected growth rate of 6.2%, maintaining its status as the fastest-growing large economy globally. This positive trajectory is expected to continue, with India's GDP projected to increase further to 6.6% in 2025. India is emerging as a pivotal destination for investment and expansion.

Industry Overview

Global Electronics Industry

The global electronics industry was valued at USD 2,494 billion in CY2021. The industry is expected to grow at a compound annual growth rate (CAGR) of 4.9% to reach USD 3,168 billion by CY2026. Some of the critical factors driving this growth are increasing disposable income, audio and video broadcasting, higher broadband penetration, the inclination of the youth towards next-gen technologies, the emergence of e-commerce, rising demand from rural markets, etc.

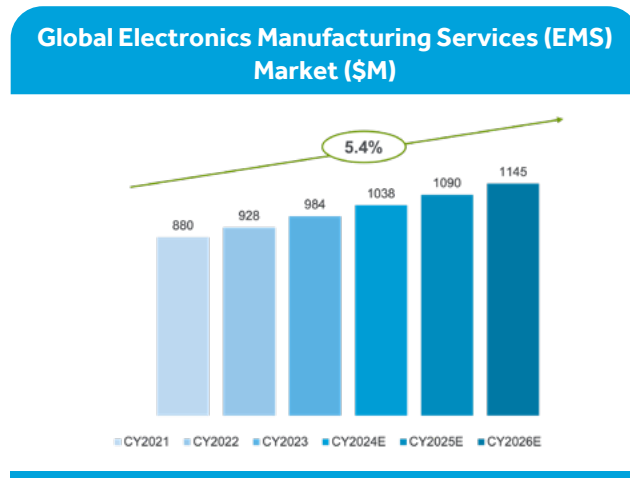


Global per capita electronic consumption is on the rise, currently standing at USD 324. The West leads in per capita usage, with North America and Europe experiencing rapid growth. This surge is fueled by the widespread adoption of wireless connectivity, driving the integration of electronic devices into daily life. As technology continues to advance, the trajectory of per capita electronic consumption remains a key indicator of evolving lifestyles and societal reliance on digital innovations.

Global EMS Industry

The global Electronics Manufacturing Services (EMS) market generally consists of companies that manufacture electronic products, predominantly assembling components on Printed Circuit Boards (PCBs) and box builds for Original Equipment Manufacturers (OEMs).

The global EMS market, valued at USD 880 billion in CY2021, is anticipated to grow at a CAGR of 5.4%, reaching USD 1,145 billion by 2026. This growth is propelled by the increasing trend of electrification, rising demand for smart devices, the surge in wearable technology, 5G technology development, the push for renewable energy, and the proliferation of connected devices. These factors collectively contribute to the dynamic expansion of the EMS market, reflecting its crucial role in the evolving landscape of electronic manufacturing.

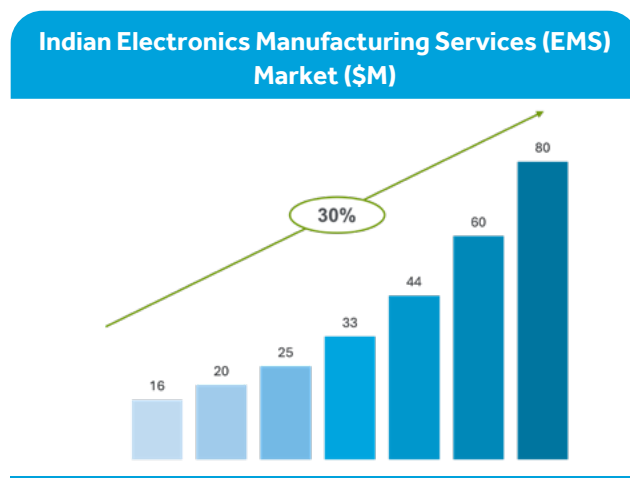


Indian EMS Industry

Over the next five years, the EMS market in India is poised to reach an impressive USD 80 billion. This growth is attributed to several key factors driving the expansion of India's EMS industry.

One significant contributor is the increasing share of outsourcing by OEMs in India. Additionally, the development of a robust component ecosystem within the country and government incentives further fuels this growth.

The adoption of a "China plus one" strategy, where companies diversify their manufacturing bases beyond China, has led to increased outsourcing to EMS players in India.



A notable shift is observed in the EMS market's dynamics, transitioning from traditional contract manufacturing to Original Design Manufacturing (ODM). This shift caters to the evolving needs of OEMs, emphasizing product innovation. EMS players are strategically repositioning within the value chain, moving beyond traditional box build services to focus on design and PCB assembly, aligning with the changing dynamics of the electronics manufacturing landscape.

Industry View

Aerospace & Defense

The Aerospace and Defense EMS sector is expected to be around USD 45 billion in 2026, growing at around 6%.

The commercial aerospace industry is experiencing significant growth, driven by an increase in aircraft deliveries, coupled with the replacement of aging aircraft, which has become a major growth driver. Furthermore, there is a growing demand for enhanced safety features and digital communication devices in the aviation sector.

The surge in defense budgets across many countries has also contributed to the growth of the defense industry. Governments are investing in advanced electronic systems for both aircraft and defense equipment to bolster national security.

In India, the Aerospace and Defense sector is undergoing a transformative phase with initiatives focused on modernization and indigenization programs.

Medical Technology

The global EMS market for the Medical Electronics segment was valued at USD 27 billion in 2021 and is expected to grow at 6% CAGR to reach USD 37 billion by 2026.

The landscape of medical electronics is rapidly evolving, propelled by advanced technologies like the Internet of Things (IoT), wireless connectivity, and Artificial Intelligence (AI). These innovations have paved the way for the integration of medical wearable technologies, marking a notable trend in recent years. The rise of digital

therapeutics and at-home diagnostics is transforming how healthcare is delivered, offering personalized and accessible solutions to patients.

In India, the government has been proactive in supporting the medical electronics sector, recognizing its potential impact on healthcare. Several initiatives have been undertaken to foster the growth of this sector, aligning with global advancements.

Industrial

The global EMS market for the Industrial Electronics segment is valued at USD 80 billion in 2021 and is expected to grow at 6.5% CAGR to reach USD 110 billion by 2026.

Industrial electronics stand at the forefront of enhancing efficiency and productivity across various industries, including energy, transportation, petroleum, chemical, semiconductor, mining, and agriculture. The current emphasis in this domain extends to power conditioning, incorporating power electronic switches, sensors, actuators, meters, intelligent electronic devices (IEDs), automation equipment, semiconductors, nanotechnology, and more. The integration of power semiconductor devices is particularly instrumental in modernizing industrial technology.

Artificial Intelligence (AI-driven) technologies are playing a crucial role in optimizing buildings and industries. The widespread adoption of smart devices within buildings and the interconnection of control systems contribute to this efficiency revolution. The focus on connected factories is another notable trend, aiming to digitize and smarten industrial operations.

In this evolving landscape, power electronic devices emerge as key components, presenting numerous opportunities for advancement. As industries continue to embrace innovative technologies, the synergy between industrial electronics, AI, and smart solutions is poised to redefine the efficiency and capabilities of modern manufacturing and industrial processes. This confluence of advancements signifies a transformative era for industrial electronics, shaping the future of industrial operations.

New Industries

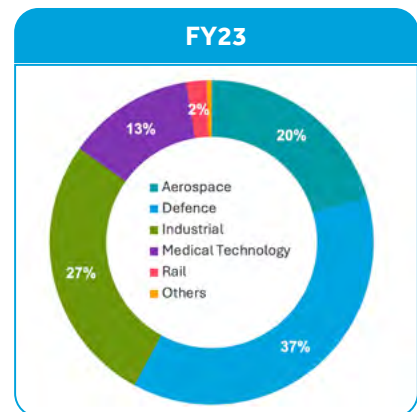
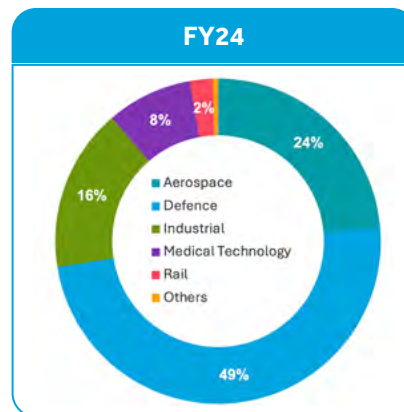
Two key emerging industries expected to have disruptive growth in the global EMS market are Telecom and Automotive. In the Telecom segment, the global EMS market was valued at USD 95 billion in 2021 and is anticipated to grow at 5.7% CAGR, reaching USD 126 billion by 2026. This growth is propelled by the expansion of network infrastructure, the development of data centers, and the increasing adoption of 5G technology. India's role in global telecom electronics production is expected to rise, presenting opportunities for growth.

In the Automotive Electronics segment, the global EMS market was valued at USD 63 billion in 2021 and is forecasted to grow at a CAGR of 6.3%, reaching USD 85 billion by 2026. The rise in electronification is attributed to the adoption of Advanced Driver Assistance Systems (ADAS), the surge in Electric Vehicle (EV) adoption, and the increasing focus on safety and connectivity. Auto Original Equipment Manufacturers (OEMs) are actively seeking collaboration with Indian EMS providers to showcase capabilities and enhance system-level understanding. Furthermore, India is positioned to become a leader in the shared mobility space by 2030, presenting significant opportunities for both electric and autonomous vehicles. This dynamic landscape underscores the potential for collaboration and growth in these emerging industries, paving the way for advancements in technology and sustainable solutions.

Segment-wise & Product-wise Performance of Cyient DLM

Segment Performance

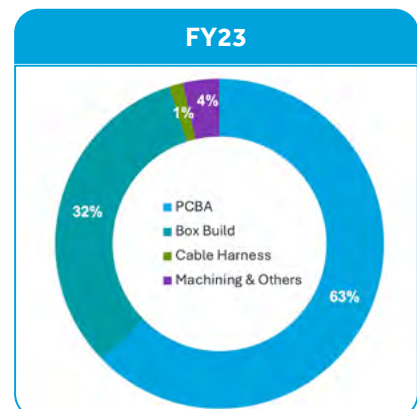
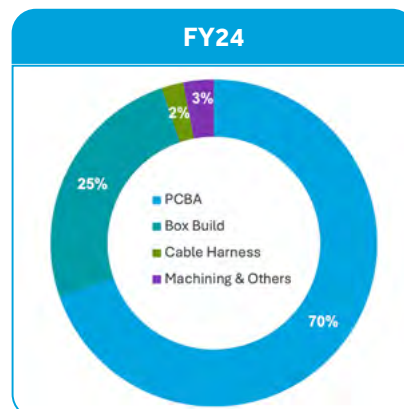
Aerospace and Defence continues to be our strongest segment with significant growth coming from our top clients. All our top clients have grown over 60% in the Financial Year 2023-24. However, Industrial and Medical Technology segments have declined in terms of overall revenue share due to external



macroeconomic factors and temporary client-specific slowdowns. Opportunities in the pipeline for Industrial and Medical Technology segments are healthy and there are increased conversations around adding new programs within the existing customer base.

Product Category

PCBA and Box Build continue to be the key Product categories for FY24. Significant growth in the PCBA segment is due to increased volumes from existing customers and Box Build share of business is impacted due to change in revenue mix. The mechanical segment is primarily the



Precision Machining business to support our key clients. The company is also focusing deeply on growing the Cable Harness business resulting in some of the recent investments. With capacity expansion in Bengaluru and Mysuru facilities, the infrastructure for the Mechanical and Cable Harnesses assembly business is adequately provisioned for the expected growth.

Risks and Concerns

Risk & Mitigation Plan:

The Company has an organization-wide ERM (Enterprise Risk Management) framework based on best-in-class standards. It covers various company operations and key criteria such as strategic risks, reputation risks, operational risks, financial risks, and compliance/litigation risks. The ERM framework is reviewed periodically by KPMG, the Company's internal auditor, and a report on the mitigation status of risks is presented to the Risk Committee. The Company also has an internal risk committee that periodically reviews the risk management process.

Risk	Impact	Mitigation
Operational Risk	Operational inefficiency leads to productivity loss and severely impacts financial performance.	We have invested in tools, people, and processes to integrate & enhance business performance. We also have robust internal processes and audits (internal & external) to make continuous improvements to our existing processes and to achieve excellence. The usage of Industry-leading software (such as Kinaxis Rapid Response) in Supply Chain helps us improve OTD (on time delivery) and customer satisfaction.
Geopolitical Risk	Geopolitical tensions heighten uncertainty, which hurts investment and economic growth. Conflicts and wars also tend to reduce global supply capacity with potentially inflationary effects.	We have a well-diversified business spread across geographies and segments. We focus on markets in NAM, Europe, Middle East and India. Our business is diversified into three (3) key segments, Aerospace & Defence, Medical Technology and Industrial.
Currency Risk	Fluctuations in Foreign Currency can impact profitability.	Regular evaluation of hedging policy by internal risk management to assess its effectiveness. Natural hedging by matching inflows with outflows wherever possible and protection in contracts.
Technology/ Obsolescence Risk	Risk of raw materials or the final products being offered to customer becoming End of Life/ Obsolete	Automated tools are in place to identify obsolescence early and secure the required materials. Early discussions with customers on any products/solutions becoming obsolete and supporting the customer in the development of new-gen products/solutions. Alternatives Management and Last-Time Buy for potential Obsolete parts.
Attrition Risk	Risk of losing talents across key areas	Focus on employee engagement activities. Actions around talent development, retention and compensation corrections. Focus on acquiring next-gen talents through Graduate Engineering Trainees (GET) Program

Competition Risk	In this highly competitive environment, there may be a severe impact on margins due to pricing pressures.	Differentiated offerings and providing solutions throughout the product life cycle. Offering Design Led Manufacturing solutions to increase stickiness. High focus on quality score and providing consistent output to our clients.
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Internal control systems and their adequacy

The Company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization, and ensuring compliance with corporate policies. The Company has a well-defined manual for the delegation of authority for approving revenue and expenditure. The Company uses the SAP system globally to record data for accounting, consolidation, and management information purposes, connecting to different locations to exchange information.

Cyient DLM had appointed M/s KPMG as internal auditors for the Financial Year 2023-2024. KPMG carried out the internal audit based on an internal audit plan, which is reviewed each year and approved by the Audit Committee. The internal audit process is designed to review the adequacy of internal control checks and covers all significant areas of the Company's operations. The Company has an Audit Committee of the Board of Directors, the details of which have been provided in the Corporate Governance report. The

Audit Committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered, and the audit committee follows up on the implementation of corrective actions. The committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keep the Board of Directors informed of its key observations from time to time. The statutory auditors have also independently audited the internal financial controls over financial reporting as of March 31, 2024. They have opined that adequate internal controls over financial reporting exist and that such controls were operating effectively.

Shareholder's Value Creation

With the launch of the IPO (Initial Public Offering) during the year, Cyient DLM is able to create significant value to our investors driven by strong growth in revenues and profits.

The stock price saw an appreciation of 67.5% as of April 1, 2024, from the date of listing price on July 10, 2023. The company has effectively utilized the IPO proceeds towards repayment of loans, capital investments and funding incremental working capital in line with the objects defined in the RHP.

As of March 31, 2024, the IPO proceeds (net of issue expense) utilization stands as below:

(₹ in Million)

Objects of the Issue	Amount to be Utilized	Utilization (Actuals)	Utilization %
Funding incremental working capital requirements	2,911	799	27.4%
Funding capital expenditure	436	18	4.1%
Repayment of borrowings	1,609	1,609	100.0%
Achieving inorganic growth through acquisitions	700	-	0.0%
General corporate purposes	934	-	0.0%
Total	6,590	2,425	36.8%

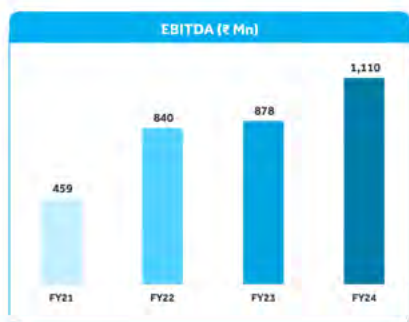
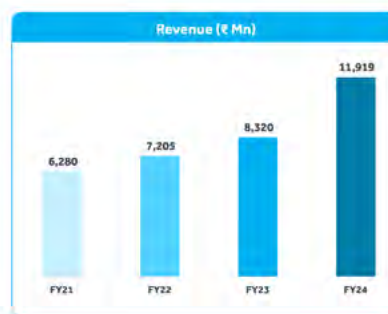
Investor Engagement

The company communicates the business outlook, strategies, and new initiatives to its investors regularly and in a structured manner. We believe that communication with the investor community is as important as timely and reliable financial performance. We engage with the investors through multiple communication channels and have had as many as 32 plant tours covering more than 145 investors. The company's dedicated Investor Relations Department and the company's Senior Management Team participated in various roadshows and investor conferences. During the financial year, we had six unique coverage reports from reputed analyst firms followed by four special coverage reports.

Discussion on financial performance with respect to operational performance

Revenue Growth:

During the Financial Year 2023-24, revenue has witnessed a YoY growth of 43.2% in Rupee terms. Growth is majorly driven by Aerospace and Defense segments with all top clients growing in excess of 60% YoY. Revenue CAGR over the last 4 years is at 23.8%, representing consistency in growth. Company revenues are well diversified across 3 major geographies, namely: NAM (North America), EMEA (Europe & Middle East) and APAC (Asia Pacific including India).

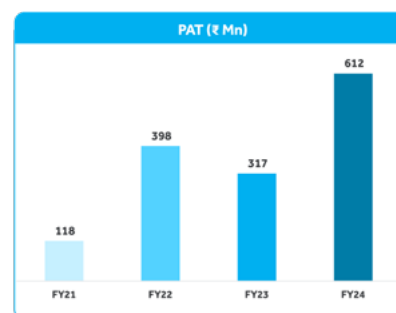


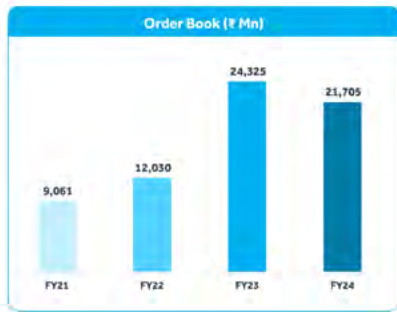
EBITDA:

EBITDA CAGR growth over the last 4 years was healthy at 34.2% primarily driven by revenue growth. For FY24, the EBITDA stands at ₹1,110 million, a growth of 26.5% YoY. FY24 has been an exceptional year for investments in Sales and General Administration expenses in lieu of the expected growth in the future that caused EBITDA growth to be lower than revenue growth.

PAT:

PAT CAGR through FY21 – FY24 is healthy at 73%. It is primarily driven by revenue growth and operational efficiencies. FY24 PAT growth is at 93% YoY majorly from Revenue growth and Other Income from IPO proceeds.



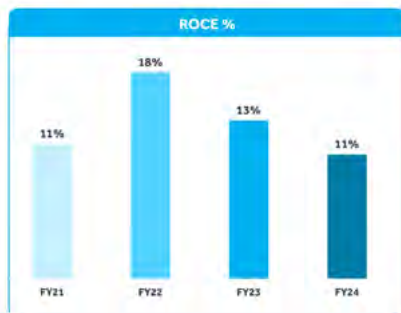
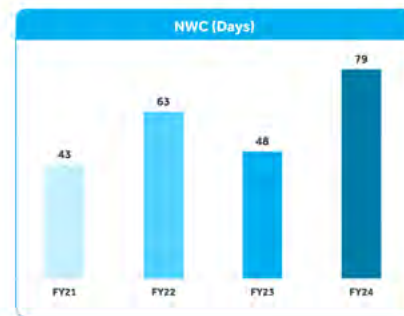


Order Book

The order book growth in FY21 through FY24 is significant driven by large deal initiatives and a strategic focus on tapping growth potential with our key clients. We also have a robust order book of ₹21,705 million as of March 31, 2024, as well as a healthy pipeline of prospective projects which are currently at various stages of negotiation.

NWC:

The increase in Net Working Capital is majorly contributed by the reduction in customer advances due to revenue mix change. With global semiconductor availability challenges in recent years, most suppliers tightened their credit terms which caused DPO to be unfavorable. As a result, we see the net working capital in days to go up in FY24. With progressive supply chain and operations efficiency kicking in, NWC in days expected to stabilize in the medium term.



ROCE:

With significant investments for the growth by way of Net Working Capital and Capital Expenditure, ROCE improvement is not seen in FY23 and FY24. With most investments already in place, ROCE expected to improve with efficiency in capital utilization and NWC parameters.

Financial Performance for the Year 2023-24

The financial results of Cyient DLM Limited under Indian AS discussed below are for the consolidated results of Cyient DLM Limited and its subsidiary. The discussion should be read in conjunction with the Consolidated Financial Statements and related notes to the Consolidated Accounts of Cyient DLM for the Year Ending March 31, 2024

Consolidated Financial Results (Profit & Loss Statement):

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	₹ Mn	% of Rev	₹ Mn	% of Rev
INCOME				
Revenue from operations	11,918.71	100%	8,320.33	100%
Other income	278.26	2.3%	63.11	0.8%
Total income	12,196.97		8,383.44	
EXPENSES				
Cost of materials consumed	9,487.38	79.6%	6,341.53	76.2%
Changes in inventories of finished goods and work-in-progress	(287.78)	-2.4%	110.61	1.3%
Employee benefits expense	1,173.80	9.8%	646.94	7.8%
Finance costs	343.87	2.9%	315.16	3.8%
Depreciation and amortisation expense	223.12	1.9%	194.15	2.3%
Other expenses	435.19	3.7%	343.45	4.1%
Total expenses	11,375.58	95.4%	7,951.84	95.6%
Profit before tax	821.39	6.9%	431.60	5.2%
Tax expense / (benefit)				
(a) Current tax	212.09	1.8%	129.71	1.6%
(b) Deferred tax	(2.66)	0.0%	(15.38)	-0.2%
Total tax expense / (benefit)	209.43	1.8%	114.33	1.4%
Profit for the year	611.96	5.1%	317.27	3.8%

Analysis:

Revenue:

Revenue YoY growth is majorly driven by Aerospace and Defense segments with all top clients growing in excess of 60% YoY. Medical Technology and Industrial segments have declined in growth percentage due to macroeconomic reasons and some client-specific issues.

Other Income:

Other income for FY24 was ₹278.26 million as compared to ₹63.11 million in FY23. The increase is majorly driven by interest income from IPO proceeds. The unutilized portion of IPO proceeds were invested in the form of Fixed Deposits that resulted in other income increase of ₹243.10 million. The remaining impact is mainly due to forex losses.

Direct Material Costs (Cost of Raw Materials + Change in Inventory):

Direct material costs as a percentage of revenue stood at 77.2% in FY24 when compared to 77.5% in FY23. There is a marginal reduction in material costs primarily due to a change in revenue mix across multiple customers. The growth in high-margin accounts has driven the efficiency to attain improvement in direct material costs. We expect to see further improvements in this aspect.

Employee Benefit Expenses:

Employee Benefit Expenses as a percentage of revenue have gone up by 2% YoY. In FY24, it is at 9.8% vs 7.8% in FY23. The Company made investments in Sales, Operations, and CTO organization to manage the expected growth in the future that caused the ratio to go up significantly in FY24. Further investments in this area will not be linear and we expect to see absorption benefits coming in with growth in the coming years. The overall increase in absolute terms is to be attributed to the following reasons:

- Salaries & Wages including Bonus: Increase of 79.8% (₹453.58 million) over FY23 primarily due to hikes and investment towards key roles in Sales, Operations and Technology functions.
- Employee Stock Options: The Company introduced the RSU scheme in FY24 that caused an increase of ₹49.07 million over FY23.
- Staff Welfare and Others: An increase of ₹24.21 million over FY23 which is a growth of 33.3%.

Finance Costs:

Finance costs for the year stood at ₹343.87 million, an increase of 9.1% over FY23. The increase is mainly due to funding higher working capital for revenue growth and an increase in the interest rate on borrowings. As a percentage of revenue, it stood at 2.9% as against 3.8% in FY23 with an improvement of 0.9%. As higher revenue growth demands higher working capital, we are able to offset the finance cost percentage impact to a large extent due to the utilization of IPO funds.

Depreciation and Amortization:

Due to higher efficiency of fixed assets, the depreciation and amortization cost as a ratio to revenue drops to 1.9% in FY24 when compared to 2.3% in FY23. With an increase of 14.9% in absolute terms, the ratio to revenue remains favorable due to better absorption in FY24.

Other Expenses:

Other expenses primarily include stores & spares, power & fuel, repairs & maintenance, travel & conveyance, etc. The increase of ₹91.7 million or 26.7% over FY23 is primarily inflation-related, IPO expenses, and additional spending towards travel expenses to meet clients and related stakeholders.

Taxes:

ETR is at 25.5% as against 26.5% in FY23 reduced by 100bps due to efficient tax planning.

Consolidated Financial Results (Balance Sheet):

Particulars	As at Mar 31, 2024	As at March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	1,374.45	1,217.50
Capital work-in-progress	9.51	13.34
Goodwill	30.30	30.30
Other intangible assets	22.45	16.46
Right of use assets	494.14	345.28
Financial assets.		
(a) Investments	662.12	895.22
(b) Other financial assets	53.23	34.97
Deferred tax assets (net)	58.66	53.79
Income tax assets	-	5.03
Other non-current assets	68.79	38.41
Total non-current assets	2,773.65	2,650.30
Current assets		
Inventories	4,642.19	4,250.83
Financial assets		
(a) Trade receivables	2,258.69	1,617.48
(b) Cash and cash equivalents	416.89	773.41
(c) Other bank balances	4,948.98	902.60
(d) Other financial assets	248.93	54.66
Other current assets	743.43	797.90
Total current assets	13,259.11	8,396.88
Total assets	16,032.76	11,047.18
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	793.06	528.66
Other equity	8,296.72	1,450.06
Total equity	9,089.78	1,978.72
LIABILITIES		
Non-current liabilities		
Financial liabilities		

Particulars	As at Mar 31, 2024	As at March 31, 2023
(a) Borrowings	746.72	995.63
(b) Lease liabilities	515.10	362.56
(c) Other financial liabilities	180.60	166.32
Provisions	106.32	95.27
Total non-current liabilities	1,548.74	1,619.78
Current liabilities		
Financial liabilities		
(a) Borrowings	588.91	2,149.11
(b) Lease liabilities	70.46	53.21
(c) Trade payables		
(i) total outstanding dues of micro enterprises and small enterprises	80.85	69.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,119.41	2,783.45
(d) Other financial liabilities	216.66	76.49
Other current liabilities	1,280.86	2,292.36
Provisions	3.49	2.99
Income tax liabilities (net)	33.60	21.90
Total current liabilities	5,394.24	7,448.68
Total liabilities	6,942.98	9,068.46
Total equity and liabilities	16,032.76	11,047.18

Equity:

The Company has only one class of shares – equity shares with a par value of ₹10 each. The Authorized Share Capital of the Company was 85,000,000 equity shares.

On June 6, 2023, we had undertaken a pre-IPO placement by way of private placement of 4,075,471 equity shares aggregating to ₹1,080 million at an issue price of ₹265 per equity share. We had completed an Initial Public Offer (“IPO”) by way of fresh issue of 22,364,653 equity shares of face value of ₹10 each of the Company at an issue price of ₹265 per equity share aggregating to ₹5,920 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) on July 10, 2023

Equity increased from ₹1,978.72 million as of March 31, 2023, to ₹9,089.78 million as of March 31, 2024. A significant portion of this increase is from:

- Share Capital: ₹264.40 million
- Premium on issue of Shares (net of issue expenses): ₹6,426.32 million
- Profit for the year: ₹611.96 million
- Share based payments and others: ₹41.48 million
- Fair value adjustment on investments: (₹233.10) million

Liabilities:

Borrowings:

Overall borrowings reduced from ₹3,144.74 million in FY23 to ₹1,335.63 million in FY24. During the year, the Company repaid all external working capital loans outstanding as per objects of the IPO and ₹200 million inter-company working capital loan, and the remaining balances as on March 31, 2024, represent the balance of inter-company loan (Term loan and Working Capital loan).

Trade Payables:

Our trade payables consist of payables towards suppliers against the purchase of goods and services. It stood at ₹3,200.26 million as on March 31, 2024.

(₹2852.62 million as of March 31, 2023). An increase of ₹347.64 million due to increase in purchases from credit suppliers.

Other Current Liabilities:

Other current liabilities stood at ₹1,280.86 million as of March 31, 2024 (vs ₹2,292.36 million as of March 31, 2023). It primarily represents advance from customers and the same has reduced by ₹1,011.50 million due to set-off against AR on pro-rata basis for key accounts and new POs accepted with reduced advances on account of nature of business.

Assets:

Non-Current Assets:

Overall non-current assets have gone up by ₹123.35 million caused by addition of capital expenditure net-off of depreciation. The Company spent capex to the extent of ₹338 million during the year to manage growth and enhance capabilities.

Investments under Financial Asset is reduced by ₹233.10 million due to fair value adjustment of investment in STUAM Technologies (formerly Innovation Communications Systems Limited).

Current Assets:

Inventory:

Inventory as of March 31, 2024, stood at ₹4,642.19 million as against ₹4,250.83 million as on March 31, 2023. The increase of ₹391.36 million is primarily from raw materials due to an increase in revenue. Inventory was closely monitored during the year, and as a result, DIO reduced to 117 days in FY24 against 139 days in FY23.

Trade Receivables:

The trade receivables have increased from ₹1,617.48 million as of March 31, 2023, to ₹2,258.69 million as of March 31, 2024. The Company regularly monitors trade receivables, which has resulted in a DSO of 57 days for FY24 (53 days in FY23) representing effective collection management. In absolute terms, it has gone up by ₹641.21 million primarily due to higher revenues in Q4 FY24 with collections expected in the subsequent quarter.

Cash & Bank Balances:

Cash and Bank Balances have gone up by ₹3,689.86 million mainly due to IPO proceeds not utilized being invested in fixed deposits. The break-up of cash and cash equivalents are provided in the table below:

Value in ₹ millions	As of March 31, 2024	As of March 31, 2023	Change	Remarks
Cash and Cash equivalents	416.89	773.41	(356.52)	Utilization towards business
Other Bank Balances	4,948.98	902.60	4,046.38	Increase in Escrow Account (FD of IPO proceeds)
Total	5,365.87	1,676.01	3,689.86	

Other Current Assets:

It mainly includes the advances paid to suppliers towards raw materials. It is marginally reduced in FY24 to ₹743.43 million from ₹797.90 million due to procurement efficiency.

Key Financial Ratios:

Ratios	FY2023-24	FY2022-23
Current Ratio	2.46	1.13
D/E Ratio	0.21	1.80
ROE %	11.1%	23.1%
ROCE %	10.6%	13.5%
DSO (Days)	57	53
DIO (Days)	117	139
DPO (Days)	70	78
Customer Advance (Days)	25	66
Fixed Assets T/O	8.6	6.8

Current Ratio:

The Current Ratio increase is mainly due to higher cash and bank balances on account of money received from the issue of shares through Initial Public Offering and repayment of current borrowings during the year.

Debt-Equity Ratio:

Reduced substantially to 0.21 from 1.80 mainly due to an increase in equity by way of the issue of shares through Initial Public Offering and repayment of current borrowings during the year.

ROE:

At 11.1% during FY24 against 23.1% in FY23 mainly due to an increase in equity by way of the issue of shares through the Initial Public Offering. Despite healthy Profit After Taxes growth, the ratio has negative variance primarily due to a higher equity base.

ROCE:

The ROCE in FY24 reduced to 10.6% from 13.5% in FY23. Despite the increase of EBIT by 56.04% YoY, ROCE reduced primarily due to significant increase in capital employed on account of IPO proceeds.

DSO:

Days Sales Outstanding (DSO) of 57 days as of March 31, 2024, is marginally higher when compared to 53 days as of March 31, 2023. The increase is mainly due to higher revenue in Q4 from clients having higher credit period.

DIO:

Days Inventory Outstanding is improved by 22 days due to procurement efficiency and better inventory management. It stands at 117 days, reduced from 139 days of the previous year.

DPO:

Supplier payables at 70 days, down by 8 days from the previous year. Due to macroeconomic reasons such as Semiconductor shortages, the Israel-Hamas war, most suppliers started demanding upfront money causing challenges to enhance or improve credit period.

Customer Advance Days:

It is substantially reduced to 25 days down from 66 days in the previous year. A major reduction is due to set-off against AR on a pro-rata basis as per contractual terms. However, due to seasonality and revenue mix, fresh advances on new POs are reduced during the financial year.

Fixed Assets Turnover:

Due to better utilization of fixed assets and improvement in capacity utilization, the ratio has improved to 8.6 from 6.8. With moderate capital investments, the Company was able to generate 43.2% more revenues in the Financial Year 2023-24

NURTURING OUR ASSOCIATES

Strengthening our human capital is vital to our growth strategy. Our principles guide us in every action we take, prioritising associate well-being at every stage of their journey with us.

Human Capital

In a rapidly evolving landscape, it is a business imperative for our workforce to continually acquire new skills and seize learning opportunities. We recognize that it is the passion and dedication of our people that propel us forward, enabling us to redefine the boundaries of what is possible.

Thus, we foster a culture where continuous learning and personal growth flourish, equipping them with the tools and support needed. In doing so, we embark on a path paved with remarkable achievements and groundbreaking discoveries. For it is through the investment in their development, that we cultivate not only a thriving work culture but also lay the bedrock for sustainable success.

Total Headcount (as on March 31, 2024):

- 1609 global associates (permanent: 722 & contingent: 887)
 - Mysore (permanent: 510 & contingent: 578)
 - Hyderabad (permanent: 139 & contingent: 278)
 - Bengaluru (permanent: 64 & contingent: 31)
 - Other Geographies (permanent: 09)

Male/Female Diversity

- We value diversity in our workforce and all efforts are made to ensure that we provide an inclusive working environment and are able to attract and retain diverse talent.
 - Permanent (male: 591 & female: 131)
 - Contingent (male: 717 & female: 170)

Attrition Rate (Permanent)

- Overall: 17.9%

Culture

Having an inclusive culture is the cornerstone to creating a diverse, innovative environment that inspires growth and associate engagement. Cyient DLM defines its culture with the acronym AGILE (Ambition, Growth Mindset, Inclusive, Lead by Example, and Empowered).

We believe it is critical that we invest and focus on our culture to ensure that we have clear expectations of how we will lead, manage, act, and treat each other, our customers, and the community. This year we have created a focus on how we can ensure that inclusion is the key foundation for all our stakeholders to excel. This inclusive culture will ensure all of our associates have a voice and that it is heard and valued. With this the employer brand would increase and will help attract the right talent for our current and future requirements.

Resource Planning

Resource planning is done based on anticipated future requirements. This planning takes into account specific project needs and the essential skill sets required. Understanding these factors significantly influences the talent acquisition process, aiding in the selection of suitable candidates, talent reviews, and facilitating learning and development initiatives.

With this we strive to have a process in place to ensure that the organisation has the right people in the right place at the right time aligning with our strategic goals.

Policies & Procedure

Our policies provide our employees with clarity on how to conduct business ethically and responsibly. The policies of our company are reviewed periodically or on a need basis by the Board and its committees. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.

All our policies and procedural documents are available on the intranet for our associate's reference.

Performance Management

We believe in automation of our people management tools. Our online performance management tool gives us an edge to ensure our associates stay productive and engaged by having clear goal-settings and open feedback.

A continuous process of evaluating associates will close the gaps, if any, by providing the necessary training to acquire required future skills & competencies.

Learning & Development

We have an online tool for all learning needs that enables associates to develop the skills they need for the future. With this tool, we try to bridge the gaps between the resources we have today and those required in the near future. We understand the value of investing in our people to retain talent and provide them with opportunities to grow along with the organisation.

Leadership and behavioural training:

- Emerging Leadership Program
- Business Leadership Program
- Communication Skills Training
- Negotiation Skills Training

Customer-initiated training:

- Digital Product Definition (DPD) requirement
- Supplemental Purchase Order Conditions (SPOC)/ Self Release Delegate (SRD)/Honeywell Aerospace Supplier Portal (HASP) Tools
- Zero Defect Workshop
- Quality Management Systems (QMS)

Internal training:

- Technical training – Association Connecting of Electronic Industry (IPC), Quality Management System (QMS), International Organization for Standardization (ISO), Electrostatic Discharge (ESD), Hazardous material handling
- Non-technical training – Fire & safety, first aid, Emergency Response Team (ERT)

The company has undertaken and institutionalized the Kaizen, 5S, and Lean Six Sigma initiatives. These initiatives continuously improved operational excellence, and the company has seen the benefits of this in the form of better customer satisfaction.

With this, we create a space where associates can upskill, which not only has holistic benefits but also fulfils the needs of the individual, empowering them for their future endeavours.

Rewards

We believe in rewarding associates for their good work to keep them motivated and accountable for their tasks. This, in turn, helps us retain associates through our timely rewards using the Rewards & Recognition tool. The tool ensures transparency throughout our rewards process for the year.

Our rewards include not only monetary incentives but also growth and career opportunities, prominence, recognition, a positive organizational culture, and a satisfying work-life balance.

Associate Wellbeing & Welfare

Associate wellbeing is paramount to our commitment to sustainable operations and our promise of 'care'. We actively engage in various initiatives aimed at promoting positivity, wellness, and good health among our associates and their families. We organize various events for different groups of employees on different aspects of wellbeing.

We believe in the wellbeing of our associates by providing insurance such as Group Medclaim insurance for employees, dependants and parents, as well as Group Term Life insurance, Group Personal Accident insurance.

We also facilitate annual health check-ups for their welfare, including:

- Associate health check-up
- Eye Check-up
- Audiometry examination

Webinars for Associate Enrichment:

- Supporting mental wellbeing through wellness sessions
- POSH (Prevention of Sexual Harassment) awareness sessions
- Financial planning sessions
- Health awareness sessions

Industrial Relations

We believe in respecting individual rights by maintaining and cultivating relationships with our shop floor worker representatives, other collectives, and their members.

We believe in maintaining cordial relations with our work committee members to promptly identify and resolve conflicts, ensuring zero production loss.

Employee Support Benefits

- Advancement Incentives for educational milestones. (e.g., Diploma to Graduation)
- Marriage Gifts
- Financial assistance for critical requirements

Associate Engagement Activities

Engagement at the workplace is a strategic imperative for our success and sustainability. With increased engagement, we have witnessed an increase in productivity, performance, innovation, reduced turnover, a positive organisational culture characterised by trust, the creation of an employer brand, adaptability & resilience, and a healthier work environment. We organise various activities such as:

Diversity & Inclusion (D&I)

At Cyient DLM, we believe in the power of diversity & inclusion and the strength it brings to our organization. We recognize that our success is deeply rooted in the unique perspectives, experiences, and talents of our diverse workforce. Inclusion is a fundamental part of who we are and how we operate.

Our promise to diversity extends across all aspects of our business, from our leaders to every individual. Inclusion is about creating an environment where every employee feels valued, respected, and empowered to bring their whole selves to work. We have implemented various initiatives and programs to foster inclusion at Cyient DLM including:



Focused Hiring Practices

We prioritize diversity and inclusion in our recruitment processes, ensuring equitable opportunities for all candidates. We also conduct special drives to provide opportunities for female associates to restart their careers after a break.



Training and Development

We offer training programs to promote awareness and understanding of diversity and inclusion topics, equipping our employees with the tools to cultivate an inclusive workplace.



Leadership Development

We are committed to developing a pipeline of diverse leaders through targeted development programs, mentorship opportunities, and succession planning initiatives.

Celebrating diversity and special occasions

- Women's Day celebration
- Ayudha Pooja celebration
- National Safety Day
- Environmental Day

Physical and team-building activities

- Creative team connect using innovative outbound activities
- Team outings

Celebrating national and cultural events

- Republic Day celebration
- Independence Day celebration
- Sports Events

STATEMENT OF DEVIATION OR VARIATION IN UTILISATION OF FUNDS UNDER REGULATION 32 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“LISTING REGULATIONS”)

Name of listed entity	Cyient DLM Limited		
Cyient DLM Limited	Public Issues		
Date of raising funds	Type	Date	
	Pre-IPO	June 6, 2023	
	Public Issue	Issue Open: June 27, 2023 Issue Close: June 30, 2023	
Amount raised	Type	Amount in Millions	
	Pre-IPO	1,080.00	
	Public Issue	Fresh Issue	5,920.00
	Total Issue Size		7,000.00
Report filed for quarter ended	March 31, 2024		
Monitoring agency	Applicable		
Monitoring agency name, if applicable	ICRA Limited		
Is there a deviation/variation in use of funds raised	No		
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable		
If yes, date of shareholder approval	Not Applicable		
Explanation for the deviation/variation	Not Applicable		
Comments of the audit committee after review	No Comments		
Comments of the auditors, if any	No Comments		

OBJECTS FOR WHICH FUNDS HAVE BEEN RAISED AND WHERE THERE HAS BEEN A DEVIATION, IN THE FOLLOWING TABLE:

(₹ in Millions)

Original Object	Modified Object, if any	Original Allocation	Modified Allocation, if any	Funds Utilised	Amount of Deviation / variation for the quarter	Remarks, if any
Funding incremental working capital requirements of Cyient DLM	-NA-	2,911	-NA-	799	-	-NA-
Funding capital expenditure of Cyient DLM	-NA-	436	-NA-	18	-	-NA-
Repayment/ prepayment, in part or full of certain of our borrowings	-NA-	1,609	-NA-	1,609	-	-NA-
Achieving inorganic growth through acquisitions	-NA-	700	-NA-	-	-	-NA-
General corporate purposes	-NA-	934	-NA-	-	-	-NA-
Net Proceeds		6,589		2,425		

Deviation or variation could mean:

- Deviation in the objects or purposes for which the funds have been raised or
- Deviation in the actual amount of funds utilized as against what was originally disclosed or
- Change in terms of a contract referred to in the fund-raising document i.e., prospectus, letter of offer, etc.

NOTES:

- Net amount transferred to the Monitoring Agency account from the Public Issue account was ₹ 6,589.63 million (gross issue proceeds of ₹ 7000.00 million as reduced by the following:
 - Issue Expenses of ₹ 410.37 million
- The issuer has raised ₹ 1,609.11 million for the repayment/pre-payment of its borrowings either in full or part and the funds have been utilized for the same purpose as mentioned in the offer document filed with SEBI and there is no deviation/variation in the use of funds. The Issuer has remitted ₹ 1,608.54 million from monitoring Agency Account to the respective lending bank account maintained by the issuer.
- The issuer has raised ₹ 2,910.90 million for the purpose of meeting the working capital requirements of the company and out of the said funds ₹ 798.80 million has been utilized by the issuer for the same purpose as mentioned in the offer document filed with SEBI and there is no deviation/variation in the use of funds. The issuer has remitted ₹ 1,608.54 million from Monitoring Agency account to the respective lending bank accounts maintained by the issuer.
- The issuer has raised ₹ 435.72 million for the purpose of funding capital expenditure requirements of the company and out of the said funds ₹ 17.92 million has been utilized by the issuer for the same purpose as mentioned in the offer document filed with SEBI and there is no deviation/variation in the use of funds. The issuer has remitted ₹ 17.92 million from Monitoring Agency account to the respective lending bank accounts maintained by the issuer.
- The unutilized funds have been deposited with the scheduled commercial banks as Fixed Deposits namely State Bank of India.

DETAILS OF STOCK OPTIONS PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

- A. Material change(s) in the scheme(s): The directors declare that there is no material change in any of the Associate Stock Option Plans and Associate Restricted Stock Units Scheme disclosed in the annexure.
- B. The Associate Stock Option Plans and Associate Restricted Stock Units Scheme disclosed in the annexure are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.
- C. Disclosure as per Section 133 of the Companies Act, 2013 with 'Guidance note on accounting for employee share- based payments.

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss, using fair value in accordance with Ind AS 102, Share-based payments. The Company issues equity-settled options to eligible employees under Stock Option scheme established on July 21, 2023.

These stock options are measured at the fair value of the equity instruments at the grant date, based on option valuation model (Black-Scholes model). The fair value determined at the grant date of the stock options is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the equity instruments that will eventually vest, with a corresponding increase in share-based payments reserve in equity.

The equity settlement component is not remeasured at each reporting date. The dilutive effect of outstanding options, if any, is reflected as additional share dilution in the computation of diluted earnings per share.

D. Disclosure on Profits and Diluted EPS as per Indian Accounting Standards on issue of shares

Sr. No.	Particulars	Associate Stock Option Plan 2023	Associate Restricted Stock Units Scheme 2023
i.	Method of calculating employee compensation cost	The Company has calculated the employee compensation cost using the fair value of the stock options.	
ii.	Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options	Not Applicable. The Company has calculated the employee compensation cost using the fair value of the stock options.	
iii.	The impact of this difference on profits and on EPS of the company	Not Applicable. The Company has calculated the employee compensation cost using the fair value of the stock options.	

E. Details related to ESOS

Sr. No.	Description	Associate Stock Option Plan 2023	Associate Restricted Stock Units Scheme 2023
1)	Description of ESOS		
(a)	Date of shareholder's approval	September 9, 2023	September 9, 2023
(b)	Total number of options approved under the Scheme	10,56,173	15,84,260
(c)	Vesting requirement	1 (one) year and not later than maximum Vesting Period of 7 (seven) years	1 (one) year and not later than maximum Vesting Period of 7 (seven) years
(d)	Exercise price or pricing formula	Market price as defined in SEBI (Share Based Employee Benefits) Regulations, 2014	Grant price is the face value of the equity shares of the Company, i.e., ₹ 10.00
(e)	Maximum term of options granted	7 Years	7 Years
(f)	Source of shares (primary, secondary or combination)	Primary	Primary
(g)	Variation in terms of options	NA	NA
2)	Method used to account for ESOS	Fair Value	Fair Value
3)	If Company opts for Intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	NA	NA

4) Option movement during the year:

Sr. No.	Description	Associate Stock Option Plan 2023	Associate Restricted Stock Units Scheme 2023
1.	Number of options outstanding at the beginning of the period	Nil	Nil
2.	Number of options granted during the year	Nil	Nil
3.	Number of options lapsed during the year	Nil	Nil
4.	Number of options forfeited during the year	Nil	Nil
5.	Number of options vested during the year	Nil	Nil
6.	Number of options exercised during the year;	Nil	Nil
7.	Number of shares arising as a result of exercise of options	Nil	Nil
8.	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil	Nil
9.	Loan repaid by the Trust during the year from exercise price received	Nil	Nil
10.	Number of options outstanding at the end of the year	Nil	Nil
11.	Number of options exercisable at the end of the year	Nil	Nil

iv) **Weighted average exercise prices and weighted average fair value of stock options granted, where exercise price either equals or exceeds or is less than the market price of the stock** – during the year under review, the Company has not granted any options.

v) **Employee wise details:**

- a) **Senior Managerial Personnel:** During the year no options were granted to Senior Managerial Personnel
- b) **Any other employee who received a grant, in any one year of option, amounting to 5% or more of option granted during that year:** Not Applicable
- c) **Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:** Not Applicable

vi) **A description of the method and significant assumptions used during the year to estimate the fair value of options:**

Sr. No.	Particulars	Associate Restricted Stock Units Scheme 2023	Associate Stock Option Plan 2023
1.	Weighted-average values of share price	634.00	Nil
	Exercise price	10	Nil
	Expected volatility	38.1% - 40.4%	Nil
	Expected option life	6 - 9 years	Nil
	Expected dividends (%)	0.5	Nil
	Risk-free interest rate	7%. The risk-free interest rate has been considered based on the zero-coupon yield curve for Government Securities (as quoted on www.ccilindia.com) for the maturity corresponding to the life to expiration of the stock option as on Valuation Date.	Nil
	Any other inputs to the model	Nil	Nil
2.	The method used and the assumptions made to incorporate the effects of expected early exercise	Based on the terms of RSU and generally accepted valuation methodologies, we have used Black- Scholes option pricing method for the valuation exercise. Since option pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.	Nil

Sr. No.	Particulars	Associate Restricted Stock Units Scheme 2023	Associate Stock Option Plan 2023
3.	How expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualized standard deviation of the continuously compounded rates of return on the prices of the comparable companies over a period of time which is considered as equivalent to the life to expiration. Since the shares of the Company are only recently listed, data of Cyient Ltd, its parent entity, has been considered to compute the volatility.	Nil
4.	Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	The tenure of the option was determined based on the vesting period and the exercise period of the option. The tenure is determined as average of minimum and maximum life. Minimum Life is end of vesting period i.e., the Grant Date + months/ years for vesting Maximum Life is end of exercise period i.e., the Grant Date + months/ years for vesting + months/ years for exercise.	Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Krishna Bodanapu
Non-Executive Chairman
DIN. 00605187

Place: Hyderabad
Date: 23.04.2024

FORM NO. AOC-1

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

PART A: SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

1.	Name of the Subsidiary	Cyient DLM Inc.
2.	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	March 31, 2024
3.	Reporting Currency	USD
4.	Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	1 USD = INR 83.3523
5.	Share Capital	Nil
6.	Reserves and Surplus	Nil
7.	Total Assets	Nil
8.	Total Liabilities	Nil
9.	Investments	Nil
10.	Turnover	Nil
11.	Profit before Taxation	Nil
12.	Provision for Taxation	Nil
13.	Profit after Taxation	Nil
14.	Proposed Dividend	Nil
15.	% of Shareholding	100%

Notes:

1. All amounts mentioned above are in the respective reporting currency, in accordance with Ind-AS accounting standards.
2. On March 05, 2024, the Company incorporated Cyient DLM Inc., a wholly-owned subsidiary.
3. Names of subsidiaries that are yet to commence operations: Cyient DLM Inc.
4. Names of subsidiaries which have been liquidated or sold during the year: Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Krishna Bodanapu
Non- Executive Chairman
DIN:00605187

Place: Hyderabad
Date: 23.04.2024

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1. Corporate Identity Number (CIN) of the Listed Entity	L31909TG1993PLC141346
2. Name of the Listed Entity	Cyient DLM Limited
3. Year of Incorporation	1993
4. Registered Office Address	Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, Rajiv Gandhi International Airport, Shamshabad, Hyderabad - 500108
5. Corporate Address	Cyient DLM Limited, Plot no.347, D1 &2, KIADB, Electronics City, Hebbal Industrial Area, Mysuru - 570016, Karnataka, India
6. E-mail	company.secretary@cyientdml.com
7. Telephone	8214282222/4004500
8. Website	www.cyientdml.com
9. Financial year for which reporting is being done	FY2023-24
10. Name of the Stock Exchange(s) where shares are listed	NSE; BSE
11. Paid-up Capital	₹79,30,61,240
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Shrinivas Kulkarni Chief Financial Officer Email - shrinivas.kulkarni@cyientdml.com
13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated basis
14. Name of Assurance Provider	NA
15. Type of Assurance Obtained	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY2023-24)
1	Manufacturing	Electronics and mechanical manufacturing partner and systems supplier to various industries like Aerospace and Defence, Healthcare and Life sciences etc.,	98%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Manufacture of bare printed circuit boards, loading of components onto printed circuit boards; manufacture of interface cards (e.g., sound, video, controllers, network, modems)	26104	100%

III. Operations**18. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	4	0	4
International	0	0	0

19. Markets served by the entity:

a. Number of locations:

Location	Number
National (No. of States/UTs)	2
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?
46.8%

c. A brief on types of customers

We serve customers from the following industries:

- Aerospace & Defence: We provide specialized sourcing, supply-chain services, IP protection, and regulatory guidance in Aerospace and Defence.
- Healthcare & Lifesciences: Our medical expertise ensures the delivery of quality, affordable solutions, and Electronic Manufacturing Services (EMS).
- Industrial: We facilitate the design, prototyping, and manufacturing of industrial solutions to enhance connectivity within multiple sectors.

IV. Employees**20. Details as at the end of the Financial Year:**

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	720	590	81.94%	130	18.06%
2.	Other than Permanent (E)	2	2	100%	0	0%
3.	Total employees (D + E)	722	592	81.99%	130	18.01%

WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	887	717	81%	170	19%
6.	Total workers (F + G)	887	717	81%	170	19%

b. Differently abled Employees and worker

Sr. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	10	9	90%	1	10%
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total differently abled employees (D + E)	10	9	90%	1	10%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	-	0	-
5.	Other than permanent (G)	0	0	-	0	-
6.	Total differently abled workers (F + G)	0	0	-	0	-

21. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.5
Key Management Personnel	4	1	25

22. Turnover rate for permanent employees and workers

Category	FY2023-24			FY2022-23*			FY2021-22*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19.5%	11.5%	17.9%	-	-	-	-	-	-
Permanent Workers	N.A	N.A	N.A	-	-	-	-	-	-

*Cyient DLM has been listed with stock exchanges as of 10 July 2023, following its strategic spin-off from Cyient Limited's design-led manufacturing division.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed Entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Cyient Limited	Holding	66	Yes
2	Cyient DLM Inc.	Subsidiary	N.A	N.A

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: (Yes/No) - Yes
 (ii) Turnover (in ₹) - 11,91,87,10,000
 (iii) Net worth (in ₹) - 9,08,97,80,000

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for Grievance Redress Policy)	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, Grievance Redressal Mechanism is in place. We have Whistle Blower Policy and Stakeholders Relationship Committee, which also acts as a Grievance Redressal Committee. Cyient_DLM-Whistle_Blower_Policy.pdf	-	-	N.A			
Investors (other than shareholders)		-	-	N.A			
Shareholders		1555	0	N.A			
Employees and workers		-	-	N.A			
Customers		-	-	N.A			
Value Chain Partners		-	-	N.A		-	
Other (please specify)		Cyient_DLM-CG_Policy.pdf	-	-	N.A		

26. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy Management	Risk & Opportunity	<p>Risk: Inefficient energy management is a critical risk due to the pressing need to reduce greenhouse gas (GHG) emissions to meet environmental standards and mitigate climate change impacts. It impacts the Company's sustainability targets and reputation among environmentally conscious consumers and investors.</p> <p>Opportunity: Energy management presents a substantial opportunity to achieve significant cost savings through the adoption of energy-efficient practices and technologies. Moreover, it can enhance the company's sustainability credentials and competitive advantage in an increasingly eco-conscious marketplace.</p>	To efficiently handle energy usage and emissions, we are scaling up the share of renewable energy within our energy portfolio while simultaneously leveraging energy conservation methods to reduce our consumption.	Negative/Positive
2	Diversity, Equity, and Inclusion	Opportunity	Diversity, Equity, and Inclusion (DEI) offers an opportunity to harness a wide range of perspectives and skills, enhancing creativity and driving innovation in product development. Embracing DEI also strengthens company culture and reputation, which can attract top talent and expand market reach by resonating with a diverse consumer base.	-	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Health & Safety	Risk	<p>Prolonged exposure to hazardous materials can lead to serious employee harm, operational disruptions, and potential legal liabilities. Inadequate health and safety standards can also tarnish the company's reputation and result in costly financial penalties, affecting overall business stability.</p>	<p>We are committed to implementing rigorous safety protocols, providing continuous employee training, and ensuring compliance with industry regulations to address health and safety risks. By adopting advanced safety technologies and fostering a culture of safety awareness, we aim to prevent accidents and safeguard both our associates' well-being and our company's operational integrity.</p>	Negative
4	Supply Chain Management	Risk & Opportunity	<p>Risk: Supply chain disruptions can lead to production halts and inventory shortages, harming the company's ability to meet customer demands and resulting in financial loss. Additionally, reliance on a limited number of suppliers can increase vulnerability to external shocks such as geopolitical tensions or natural disasters.</p> <p>Opportunity: Effective supply chain management can streamline operations, reduce costs, and improve lead times, ultimately enhancing customer satisfaction. It also opens avenues for building stronger, more collaborative relationships with suppliers, which can lead to innovation and a more resilient supply network.</p>	<p>Diversifying the company's supplier base would reduce reliance on a limited number of suppliers and establishment of robust inventory management system will ensure uninterrupted production. Implementation of supply chain risk assessments and development of contingency plans will help in proactive mitigation and adaptation of the risks and bolster long-term supply chain resilience.</p>	Negative/Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Weblink of the Policies, if available https://www.cyientdlm.com/investors/corporate-governance/									
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	-	-	-	-	Yes	-	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	AS9100: 2016 ISO/TS 22163 :2017 ANSI/ESD S20.20-2021	ISO 45001: 2018	-	-	ISO 14001: 2015	-	-	ISO 9001: 2015 ISO/IEC 27001 :2013 ISO 13485 :2016
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	<p>We are undergoing sustainability transformation and as part of that we are establishing goals and targets related to Environmental, Social, and Governance (ESG) aspects, such as:</p> <ul style="list-style-type: none"> • Implementing carbon footprint reduction initiatives • Enhancing the use of renewable energy sources • Upholding a zero-violation standard for data privacy • Increasing community engagement programs • Achieve Gender Balance • Continuous employee training & development • Promoting ethical labour practices and fair trade • Strengthening corporate governance and transparency 								

6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	We are currently establishing goals and targets related to Environmental, Social, and Governance (ESG) aspects.
Governance, leadership, and oversight	
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>Our commitment to our clients is unwavering as we deliver Design-led Manufacturing (DLM) solutions through an integrated manufacturing approach that encompasses the entire product lifecycle, from the initial concept to manufacturing and certification. Our approach is one of meticulous attention to detail and excellence. We maintain a relentless focus on ensuring that all products adhere to stringent standards of reliability, safety, and performance. This is achieved through a systematic methodology aimed at enhancing processes, streamlining the supply chain, and designing value-added solutions thereby helping minimize your total cost of ownership.</p> <p>With its international footprint and a firm dedication to delivering value-driven solutions, the company has been instrumental in transforming businesses through innovation and technology. To support this technological advancement, we operate three advanced manufacturing facilities across India. We have a strong team, comprising 722 associates and 887 workers.</p> <p>Through the Cyient Foundation, Cyient DLM's Corporate Social Responsibility initiatives focused on supporting underprivileged children and women without employment by providing them with equal opportunities. These actions were aimed at fostering empowerment, leading towards a dignified life, and contributing to the socio-economic growth of the community. Throughout the year, Cyient DLM also sharpened its focus on environmental sustainability by engaging in Green Interventions and Conservation efforts. We are in the midst of transforming our CSR committee into a broader CSR and ESG Committee, which will focus on a more integrated approach encompassing corporate social responsibility and sustainability.</p>
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Anthony Montalbano, CEO
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	No

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against the above policies and follow-up action	Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board of Directors									Annually								
11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No								

12. If the answer to question (1) above is "No" i.e., not all principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)							No		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)							Yes		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							Yes		
It is planned to be done in the next financial year (Yes/ No)							Yes		
Any other reason (please specify)							-		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	1	Training was provided on various aspects of corporate governance such as Compliance, Antitrust laws, Anti-Corruption measures, Conflict of Interest, and others, in addition to Interaction with stakeholders	100%
Key Managerial Personnel (KMPs)	1	Training was provided on various aspects of corporate governance such as Compliance, Antitrust laws, Anti-Corruption measures, Conflict of Interest, and others, in addition to Interaction with stakeholders	100 %
Employees other than BoD and KMPs	90	<p>At Cyient DLM, we offer diverse training programs to enhance our associates' technical skills, safety knowledge, crisis handling, operational efficiency, policy comprehension, and soft skills. This holistic development is key to our business achievements and helps us stay agile in the ever-evolving industry landscape, creating a proficient team ready for any challenge or opportunity.</p> <p>Our trainings cover topics like leadership, diversity, customer service, and sustainability, promoting leadership, inclusivity, and environmental stewardship. We aim to shape a technically and ethically skilled workforce. In addition to the above-mentioned trainings, we also provide four trainings on topics like leadership and cross functional team training for our associates above band D.</p> <p>Our interactive trainings involve practical exercises, case studies, and feedback channels to promote retention and practical application. We're committed to a culture of ongoing learning, empowering our associates to grow and contribute to Cyient DLM's success.</p>	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Workers	90	<p>Our associates undertake targeted training in areas such as technical skills, safety, quality assurance, operational efficiency, EHS awareness, waste management, and behavioural development. This is crucial for staying updated with industry trends and maintaining high-quality standards, leading to superior customer satisfaction. Our commitment to continuously improving and updating our team's capabilities ensures we can effectively meet industry challenges and surpass customer expectations.</p> <p>Moreover, we use feedback mechanisms and regular evaluations to refine our training programs, keeping them relevant and enabling us to quickly adapt to evolving market conditions, thereby maintaining a competitive edge.</p>	100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
a. Monetary					
Penalty/ Fine	0	0	0	0	0
Settlement	0	0	0	0	0
Compounding fee	0	0	0	0	0
b. Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	0	0	0	0	0
Punishment	0	0	0	0	0

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
N.A	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a weblink to the policy.

Yes. Cyient DLM has zero tolerance for any form of bribery, adhering to compliance with anti-corruption laws including the FCPA and the UK Bribery Act. We've established procedures aimed at identifying, preventing, and addressing any breaches of anti-bribery laws. Our policy clearly outlines the disciplinary actions for both entities and individuals implicated in corruption-related activities.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY2023-24 Current Financial Year		FY2022-23 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.?

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Number of days of accounts payables	81 Days	94 Days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format

Parameter	Metrics	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	-
	b. Number of trading houses where purchases are made from	0	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	-
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	0.11%	-
	b. Number of dealers/distributors to whom sales are made	19	-
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributor	0.06%	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.17%	-
	b. Sales (Sales to related parties / Total Sales)	0.08%	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Nil	-
	d. Investments (Investments in related parties / Total Investments made)	Nil	-

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

2. Does the entity have processes in place to avoid/manage conflict of interest involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. Cyient DLM has implemented a procedure to prevent or handle conflict of interest among the Board of Directors. Associates must inform local management about any circumstances that may constitute a potential conflict of interest or appear as one. If there's any doubt, associates are encouraged to disclose these circumstances. Additionally, Cyient DLM collects yearly statements from its board members detailing their involvement with other entities, which could vary with time. Further details can be found at: ***Code of Conduct for Board and Senior Management.pdf***

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year	Details of improvements in Environmental and Social Impacts
R&D	-	-	-
Capex	0.87 %	-	Promoting energy efficiency by upgrading to LED lighting fixtures and utilizing renewable energy through the implementation of solar-powered street lights.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. We have procedures in place for sustainable sourcing.

- If yes, what percentage of inputs were sourced sustainably?**

In FY24, we sourced 92% of the products sustainably. Furthermore, all vendors supplying these products were duly certified, holding at least one of the certifications: ISO 45001, SA 8000, or OHSAS 18001, thereby ensuring compliance with relevant environmental and social responsibility standards.

- Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste, and (d) other waste**

Not Applicable. We do not engage in manufacturing of the components; therefore, we have no influence over the choice of raw materials used. The products are assembled basis the customer's specification.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No

Leadership Indicators

- Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.**

Not Applicable. We do not engage in manufacturing of the components; therefore, we have no influence over the choice of raw materials used. The products are assembled basis the customer's specification.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the weblink.
N.A					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Not Applicable. We do not engage in manufacturing of the components; therefore, we have no influence over the choice of raw materials used. The products are assembled basis the customer's specification.

Name of Product / Service	Description of the risk/concern	Action Taken
N.A		

2. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)

Indicate input material	Recycled or re-used input material to total material	
	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
-		

3. Of the products and packaging reclaimed at the end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics including packaging)						
E-waste						
Hazardous waste						
Other waste						

4. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
-	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	590	590	100%	590	100%	-	-	0	0%	590	100%
Female	130	130	100%	130	100%	130	100%	-	-	130	100%
Total	720	720	100%	720	100%	130	18%	0	0%	720	100%
Other than Permanent employees											
Male	2	2	100%	2	100%	-	-	0	0	2	100%
Female	0	0	-	0	-	0	0	-	-	0	-
Total	2	2	100%	2	100%	0	0	0	0	2	100%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent workers											
Male	717	717	100%	717	100%	-	-	0	0	717	100%
Female	170	170	100%	170	100%	170	100%	-	-	170	100%
Total	887	887	100%	887	100%	170	19%	0	0	887	100%

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Cost incurred on wellbeing measures as a % of the total revenue of the Company	0.13%	0.15%

2. Details of retirement benefits

Benefits	FY2023-24 (Previous Financial Year)			FY2022-23 (Current Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98.61%	100%	Y	98.89%	100%	Y
Gratuity	98.61%	100%	N.A	98.89%	100%	N.A
ESI	10%	100%	Y	10.5%	100%	Y
Others	N.A	N.A	N.A	N.A	N.A	N.A

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Our facilities are designed to be accessible for associates with disabilities, in compliance with the Rights of Persons with Disabilities Act, 2016. This demonstrates the company's dedication to cultivating inclusive work environments that are supportive of each individual.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a weblink to the policy.

At Cyient DLM, we are committed to ensuring equal opportunities for everyone. We offer equal employment chances irrespective of gender, religion, race, colour, age, national origin, marital status, or physical disability, and we actively endorse and implement these principles across all our facilities in accordance with legal standards. Our Code of Business Ethics emphasizes the importance of equal employment opportunities.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	N.A*	
Female	100%	N.A		
Total	100%	-		

* In FY 24, Cyient Limited had spun off its Design-led Manufacturing (DLM) into a separate division, Cyient DLM.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes. The Company has established three essential committees, namely the Works Committee, Workmen Welfare Committee, and Canteen Committee, each with a specific focus on addressing human rights impacts or issues resulting from our business activities. Committees play a vital role in ensuring that we maintain a responsible and ethical approach to our operations, safeguarding the well-being and rights of the associates, workers, and others involved in our business sphere.
Other than Permanent Employees	
Permanent Workers	N.A
Other than Permanent Workers	The respective Committee plays a vital role in addressing grievances concerning human rights and safeguarding the interests of our internal stakeholders as per the Grievance Redressal Policy & Problem Resolution Policy

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	720	0	-	0	0	-
Male	590	0	-	0	0	-
Female	130	0	-	0	0	-
Total Permanent Workers	-	0	-	0	-	-
Male	-	0	-	0	-	-
Female	-	0	-	0	-	-

8. Details of training given to employees and workers:

Category	FY2023-24 Current Financial Year					FY2022-23 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	592	591	99.8%	591	99.8%	-	-	-	-	-
Female	130	130	100%	130	100%	-	-	-	-	-
Total	720	721	99.8%	720	99.8%	-	-	-	-	-

Workers										
Male	717	717	100%	717	100%	-	-	-	-	-
Female	170	170	100%	170	100%	-	-	-	-	-
Total	887	887	100%	887	100%	-	-	-	-	-

9. Details of performance and career development reviews of employees and worker:

Category	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	592	534	90.2%			
Female	130	116	89.2%			
Total	722	650	90.02%			
Workers						
Male						
Female						
Others						
Total						

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, Cyient DLM accords the highest priority to its employee's well-being and safety. Our Occupational Health & Safety Management System at Mysore and Hyderabad office are certified to ISO 45001:2018 (Occupational Health & Safety Management System).

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In accordance with the requirements of the ISO 45001:2018 Occupational Health and Safety Management System, Cyient DLM has established and maintains a formalized process to evaluate potential hazards and risks associated with all standard and non-standard tasks performed at any given site.

We undertake a Hazard Analysis and Risk Identification on an annual basis as well as when changes in processes and new equipment or services are introduced. We also record all near misses and injuries and conduct a Root Cause Analysis (RCA) to take control measures and eliminate the same. If any risk or hazard is identified, the severity of the incident/hazard is evaluated, and the necessary controls to be employed are determined.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, our organization has established an Incident Management Protocol along with a digital platform for reporting incidents related to Environmental, Health, and Safety (EHS). Whenever an incident occurs, our fire and safety departments receive immediate notifications. Individuals who submit incident

reports are automatically notified via email upon the initiation of the investigation and receive consistent updates regarding the measures being implemented. The procedure is deemed officially concluded when all relevant stakeholders have been apprised of the findings.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

As part of our commitment to ensuring the holistic health and safety of our workforce, we offer a comprehensive range of medical check-ups and health monitoring services. These services are part of our annual health program for associates, designed to prevent occupational health risks and promote a proactive approach to personal health management. We extend Employee Annual Health check-ups, premedical check-ups, X-rays, audiometry, eye check-ups, PFT Lead, and Blood tests as part of employee health services.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

We diligently implement comprehensive measures to safeguard employee health and safety. We perform regular Hazard Identification and Risk Assessments along with thorough safety training during employee induction, continuous regular monitoring of air quality, and systematic health screenings for all staff members. Additionally, we conduct regular training sessions on machinery safety and maintain robust electrical safety protocols. Essential personal protective equipment (PPE), such as hand gloves and masks, is provided to all associates to further ensure their well-being and safety in the workplace.

13. Number of complaints on the following made by employees and workers

	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

During the health and safety audit one minor non-conformity was noticed, and it was duly addressed.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, Cyient DLM extends life insurance and compensatory packages in the event of the death of an associate or worker. This includes Group Term Life Insurance, Group Medical Coverage, and Group Personnel Accident Insurance. The company also has an Employee Compensation Policy.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Our vendor agreement includes a clause requiring suppliers to adhere to all relevant laws and regulations. The entity has established a compliance program, which includes regular audits and monitoring systems to verify that value chain partners comply with all applicable laws and regulations.

3. Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, Cyient DLM does provide transition assistant programs. When an employee's career ends due to retirement or termination of employment, the company assesses the employee based on business criticality. Based on criticality, a few associates would be considered to convert into contractual associates.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	3%
Working conditions	3%

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

There were no significant risks/concerns arising from the assessments of health and safety practices and working conditions of value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Cyient DLM has determined its key internal and external stakeholders through an exhaustive approach that included both, the Board, and the Management teams. The selection involved reviewing different stakeholder groups and considering their influence on the Company's success. Key aspects like ongoing interaction, contribution to business continuity, industry significance, and overall effect on the company were evaluated. Continuous engagement and vigilant monitoring are key to long-term success and strong stakeholder relationships, enabling Cyient DLM to align with stakeholder expectations, maintain a solid reputation, and support sustained growth.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	<ul style="list-style-type: none"> • Annual General Meeting • Quarterly Meetings • Annual Report • Shareholder information on the website • Timely response to shareholder queries • Press release 	Quarterly/ Need Basis	Performance of the organization
Employees	No	<ul style="list-style-type: none"> • Employee surveys • Annual Report Press release 	Quarterly/ Continuous	Employee Engagement, Learning & development
Senior Management	No	<ul style="list-style-type: none"> • Employee surveys • Annual Report 	Quarterly/ Need Basis	Board Evaluation, Discussions
Local Community	Yes	<ul style="list-style-type: none"> • Community workshops • Press releases 	Quarterly/ Need Basis/ Continuous	Education & IT Literacy, Skill Development, Innovation & Infrastructure, Healthcare, Community Development
Suppliers	No	<ul style="list-style-type: none"> • Supplier Workshops • Annual Report 	Quarterly/ Need Basis/ Continuous	Business-related discussions, awareness

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At Cyient DLM, we engage stakeholders in dialogue on economic, environmental, and social issues to fully inform our Environmental, Social, and Governance (ESG) initiatives. We incorporate the valuable perspectives and feedback from these interactions into our decision-making. This process ensures our business goals are in harmony with our stakeholders' vital interests and wider societal objectives, leading to sustainable and responsible economic, environmental, and social actions.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes, we use stakeholder consultation to support the identification and management of environmental and social topics. This includes creating an extensive list of ESG issues, examining how these issues relate to our business goals, conducting a thorough risk assessment, engaging with stakeholders for their perspectives, and prioritizing the issues based on their criticality and our ability to address them.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Cyient DLM consistently interacts with the community, concentrating on community growth, environmental efforts, skill-building, and IT education. We respond to and resolve any emerging issues in a timely manner.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2023-24			FY2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	720	720	100%	-	-	-
Other than permanent	2	2	100%	-	-	-
Total employees	722	722	100%	-	-	-
Workers						
Permanent	0	0	0	-	-	-
Other than permanent	887	887	100%	-	-	-
Total workers	887	887	100%	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY2023-24 Current Financial Year						FY2022-23 Previous Financial Year			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	590	0	-	590	100%	-	-	-	-	-
Female	130	0	-	130	100%	-	-	-	-	-
Total	720	0	-	720	100%	-	-	-	-	-

Other than Permanent										
Male	2	0	-	2	100%	-	-	-	-	-
Female	0	0	-	0	-	-	-	-	-	-
Total	2	0		2	100%	-	-	-	-	-
Workers										
Permanent										
Male	N.A									
Female										
Total										
Other than Permanent										
Male	717	694	96.79%	23	3.21%	-	-	-	-	-
Female	170	170	100%	0	-	-	-	-	-	-
	887	864	97.4%	23	2.59%	-	-	-	-	-

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Gender	Total Number	Median remuneration/salary/wages of the respective category (₹)
Board of Directors (BoD)	Male	7	5,00,000
	Female	1	12,00,000
Key Managerial Personnel	Male	3	2,44,15,959
	Female	1	18,17,526
Employees other than BoD and KMP	Male	588	8,51,161
	Female	130	6,87,222
Workers	Male	717	2,50,000
	Female	170	2,50,000

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Gross wages paid to females as % of total wages	19.69%	-

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, at Cyient DLM we have a focal point responsible for addressing human rights impacts, or issues caused or contributed to by the business. Our Grievance Redressal Policy, Discipline Policy, and Problem Resolution Policy have been created to include the addressal of human rights impact.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Cyient DLM, an effective complaint redressal strategy has been laid out to guarantee that consistent rules and concerns regarding human rights are upheld throughout the Company. Our Grievance Redressal Policy, Discipline Policy, and Problem Resolution Policy help to effectively redress grievances. The Stakeholder Relationship Committee shall also function as the Grievance Redressal Committee. Additionally, we have an effective Whistle-Blower Policy in place that allows our associates, including those in subsidiaries, to confidentially report any unethical behaviour or suspected fraud to the Ombudsperson. Please refer to our policy - [Cyient_DLM-Whistle_Blower_Policy.pdf\(cyientdlim.com\)](#)

6. Number of Complaints on the following made by employees and workers:

	FY2023-24 Current Financial Year			FY2022-23 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Total Complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We undertake efforts to ensure that all relevant stakeholders are aware of Cyient DLM's POSH Policy and are aware that any complaint that violates those policies will be investigated. We are dedicated to fostering an environment at work where associates can do their jobs without fearing discrimination, gender bias, or sexual harassment. All associates have the right to be treated with respect, and if sexual harassment occurs at work or elsewhere that involves associates, it is a serious offence that must be punished.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. We expect our vendors to uphold and promote the protection of internationally recognized human rights principles and to abstain from any actions that violate these principles.

10. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not Applicable

2. Details of the scope and coverage of any Human rights due diligence conducted.

Assessment not conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, all Cyient DLM offices and premises are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016. This demonstrates the company’s dedication to cultivating an inclusive work environment that is supportive of everyone.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	-
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments in Question 4 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit of Measurement	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
From renewable sources			
Total electricity consumption (A)	GJ	5,306	5,635
Total fuel consumption (B)	GJ		
Energy consumption through other sources (C)	GJ		
Total energy consumed from renewable sources (A+B+C)	GJ	5,306	5,635
From non-renewable sources			
Total electricity consumption (D)	GJ	11,067	7,005
Total fuel consumption (E)	GJ	148	165
Energy consumption through other sources (F)	GJ		
Total energy consumed from non-renewable sources (D+E+F)	GJ	11,215	7,170
Total energy consumed (A+B+C+D+E+F)	GJ	16,521	12,805
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	GJ/INR Cr	13.86	15.39
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/INR Cr	23.95	-
Energy intensity in terms of physical output	-	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

- 2. Does the entity have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India (Y/N)? If yes, disclose whether targets set under the PAT scheme have been achieved. In case, targets have not been achieved, provide the remedial action taken, if any.**

No, the entity is not classified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

- 3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	13,294	11,462
(iii) Third party water (Municipal water supplies)	5,696	5,229
(iv) Seawater / desalinated water		
(v) Others (Rainwater Storage)		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	18,990	16,691
Total volume of water consumption (in kiloliters)	22,387	14,616
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	15.93	20.06
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	32.45	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)-		
(i) To Surface water	-	-
- No treatment		
With treatment – please specify the level of treatment		
(ii) To Groundwater	-	-
- No treatment		
With treatment – please specify the level of treatment		
(iii) To Seawater	-	-
- No treatment With treatment – please specify the level of treatment		
(iv) Sent to third parties		
- No treatment	2,500	2,000
With treatment – please specify the level of treatment		
(v) Others		
No treatment		
With treatment (7 to 7.5 pH treated water is used to water plantations)	5,897	5,525
Total water discharged (in kilolitres)	8,397	7,525

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. We have a Sewage Treatment Plant (STP) at the Mysuru facility to recycle the wastewater produced. The treated wastewater is used for gardening.

6. Please provide details of Air Emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
NOx	mg/Nm ³	486.24	-
SOx	mg/Nm ³	148.23	-
Particulate matter	mg/Nm ³	201.25	-
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	11.04	12.29
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tons of CO ₂ equivalent	2,200	1,392
Total Scope 1 and Scope 2 emissions	Metric tons of CO ₂ equivalent	2,211	1,405
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	Metric tons of CO ₂ equivalent/ INR Cr.	1.85	1.69
Total Scope 1 and Scope 2 GHG emission/revenue from operations adjusted for Purchasing Power Parity (PPP)	Metric tons of CO ₂ equivalent/ INR Cr.	3.20	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

Yes, the entity is actively engaged in projects aimed at reducing Greenhouse Gas (GHG) emissions. We have a strategic plan in place to consciously mitigate our carbon footprint. Our initiatives include utilizing 50% renewable energy at our Mysuru facility, with a commitment to increase this percentage in the future. Additionally, we are investing in various energy efficiency measures across our facilities to minimize our environmental impact.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste (A)	13.56	21.86
E-waste (B)	10.06	1.30
Bio-medical waste (C)	0.003	0.007
Construction and demolition waste (D)	0	0.007
Battery waste (E)	0	0.61
Radioactive waste (F)		
Other Hazardous waste - excluding e-waste and biomedical waste (G)	1.5	0.56
Other Non-hazardous waste generated (H) - excluding plastic waste	20	12.5
Total (A+B + C + D + E + F + G + H)	45.13	36.84
Waste intensity per Rupee of Turnover (Total waste generated/Revenue from operations)	0.038 MT/₹ Cr	0.044 MT/₹ Cr
Waste intensity per Rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	0.065 MT/₹ Cr	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled		
(ii) Re-used	-	-
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration		
(ii) Landfilling	-	-
(iii) Landfilling after incineration		
Total		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At Cyient DLM, environmental stewardship is at the forefront of our operations. Our facility is equipped with clearly marked segregated bins for different waste streams, which are collected and processed by vendors authorized by the Pollution Control Board, ensuring compliance with environmental regulations. To manage liquid waste, our infrastructure includes secondary containment trays, and we are fully prepared for any contingencies with spill kits on hand to address potential spills swiftly and efficiently.

Used solvents are also carefully managed; they are sent to certified facilities for safe incineration under strict regulatory oversight, mitigating environmental impact. Furthermore, we have established our Sewage Treatment Plant (STP), which treats all wastewater to conform with environmental standards before discharge, thereby upholding our responsibility towards water conservation and contributing to the ecological balance.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

No, the entity does not have any operations or offices in or around ecologically sensitive areas where environmental approvals or clearances are required. We are strongly committed to adhering to environmental regulations and consciously refrain from engaging in activities within regions deemed vital for ecological preservation.

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial Year:

Not Applicable. Our operations have not undergone Environmental Impact Assessments (EIA).

Name and brief details of the project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Weblink
N.A					

13. Is the entity compliant with the applicable environmental laws/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
N.A				

Yes, we are compliant with all applicable environmental regulations in India.

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- i. Name of the area
- ii. Nature of operations
- iii. Water withdrawal, consumption, and discharge in the following format

Not applicable as none of our sites are in areas of water stress.

2. Please provide details of Total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY2023-24 (Current Financial Year)	FY2022-23 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per Crore of turnover		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency (Y/N). If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported in Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable as none of our facilities are situated in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

Sr. No.	Initiatives Undertaken	Details of the Initiative (Weblink, if any, may be provided along with a summary)	Outcome of the Initiative
1	Adoption of Renewable Energy in operation	The Mysuru facility has successfully integrated Renewable Energy sources, harnessing solar electricity for 50% of its operations, reflecting our commitment to sustainability. With a strong commitment towards environmental stewardship, we aim to exceed 80% in the near future, further reducing our carbon footprint and promoting clean energy operations.	The integration of Renewable Energy into our operations has resulted in a marked decrease in carbon emissions and substantial cost savings. This strategic shift not only aligns with global sustainability goals but also enhances our corporate responsibility toward a cleaner, renewable future.
2	Installation of LED Light Fixtures	95% of the lighting fixtures across our facilities have been upgraded to energy-efficient LEDs, bolstering our energy conservation efforts, and benefiting from the extended lifespan of these lighting solutions.	This widespread adoption of LED technology significantly reduces our energy consumption and maintenance costs, reflecting our dedication to sustainable practices.
3	Rainwater Harvesting System	All of our sites are equipped with rainwater harvesting pits, ensuring that the collected rainwater is effectively channelled into these designated catchment areas.	This system not only promotes the conservation of water resources but also plays a crucial role in recharging the groundwater levels at our facilities.
4	Improving Water Efficiency	To enhance water efficiency, we have installed sensor-based taps in all washrooms, effectively minimizing excess water usage through their smart operation. Moreover, with the implementation of Sewage Treatment Plants (STPs) at our office, we are able to recycle wastewater, utilizing it for gardening and furthering our commitment to sustainable water management.	The implementation of sensor-based taps and Sewage Treatment Plants (STPs) has significantly reduced our dependency on and usage of groundwater by establishing effective water consumption controls. These initiatives contribute to a more sustainable use of water resources, ensuring long-term ecological balance and operational efficiency.
5	Adopting Circularity	We have formulated a strategic plan to decrease plastic use throughout our operations and have already achieved a substantial reduction. In addition, we convert garden and food waste into vermicompost, which is then utilized as fertilizer for gardening.	Utilizing food and garden waste as compost enriches the soil with vital nutrients. It decreases reliance on synthetic fertilizers and also diverts organic materials from landfills.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ weblink.

Cyient DLM is equipped with a Business Continuity and Disaster Management Plan, affirming its commitment to resilience and operational integrity in times of adversity. This strategic framework meticulously outlines the procedures for risk assessment, ensuring that the organization can effectively identify potential threats and vulnerabilities. Essential functions are prioritised to guarantee that the Company's core operations continue without significant interruptions, even during unexpected disruptions. We have ingrained a culture of preparedness through regular employee training and by conducting drills that simulate various emergency scenarios. Communication protocols have been streamlined for clarity and efficiency, while robust data protection and backup systems are in place to secure critical information.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No, there weren't any significant adverse impacts to the environment, arising from the value chain of the entity.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We are in the process of incorporating environmental parameters in the assessment of our supply chain partners.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with and industry chambers/ associations.

The Company is a member of two trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Electronics and Computer Software Export Promotion Council	National
2	Software Technology Parks of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
-	-	-

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Weblink, if available
-					

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Weblink
-					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY2022-23 (In ₹)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

All of our corporate social responsibility efforts are driven and led by the Cyient Foundation. Our interventions span various domains, such as education, healthcare, social innovation, and community enhancement, with impacts that often amplify across multiple interconnected facets. To address and document community concerns effectively, we uphold registers at every centre to ensure that grievances are recorded and duly addressed.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	4.43%	-
Sourced directly from within the district and neighboring districts	36.35%	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as a percentage of total wage cost:

Location	FY2023-24 Current Financial Year	FY2022-23 Previous Financial Year
Rural	14%	-
Semi-urban	11%	-
Urban	48%	-
Metropolitan	27%	-

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of Negative Social Impact Identified	Corrective Actions Taken
NA	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by Government bodies:

Sr. No.	State	Aspirational District	Amount Spent (In ₹)
-			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
No
- (b) From which marginalized /vulnerable groups do you procure?
Not Applicable
- (c) What percentage of total procurement (by value) does it constitute?
Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
	NA	

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Promoting Gender Equality and Women's empowerment	510	74.3%
2	Education and Digital Literacy	1341	81.7%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have a system in place to manage customer queries, it includes clear channels for complaints and feedback, ensuring prompt and effective resolution.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable, since Cyient DLM is an electronic manufacturing service provider to OEMs, and we do not manufacture the final product.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY2023-24 (Current Financial Year)		Remarks	FY2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	N.A	-	-	N.A
Advertising	0	0	N.A	-	-	N.A
Cyber-security	0	0	N.A	-	-	N.A
Delivery of essential services	0	0	N.A	-	-	N.A
Restrictive Trade Practices	0	0	N.A	-	-	N.A
Unfair Trade Practices	0	0	N.A	-	-	N.A
Other	0	0	N.A	-	-	N.A

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not applicable, since Cyient DLM is an electronic manufacturing service provider to OEMs, and we do not manufacture the final product.	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink of the policy.

Yes, we have a Data Privacy policy that aligns with EU-GDPR Regulations, and our Information Security Management System (ISMS) is ISO/IEC 27001:2013 certified. We also have an Information security & privacy requirement for our suppliers. The effectiveness of the system is checked quarterly by the Information Security and Data Privacy Council.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not Applicable

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches - Nil
- b. Percentage of data breaches involving personally identifiable information of customers - 0%
- c. Impact, if any, of the data breaches - Not Applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide weblink, if available).

Information about our products can be accessed through the company website - www.cyientdml.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not applicable, since Cyient DLM is an electronic manufacturing service provider to OEMs, and we do not manufacture the final product.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regards to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)

Not applicable, since Cyient DLM is an electronic manufacturing service provider to OEMs, and we do not manufacture the final product.

We Believe in the Philosophy of Returning to Society

as a measure of gratitude for what we have taken from it.

The company's corporate social responsibility (CSR) aims to extend beyond charity and enhance social impact.



Promoting
Gender Equality



Women
Empowerment



Education and
Skills Initiatives



ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended)

1. A BRIEF OUTLINE ON THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY OF THE COMPANY:

a) About the Company's CSR Policy:

CYIENT DLM believes in giving back to society in a measure that is proportionate to its success in business. CYIENT DLM CSR activities are implemented through CYIENT FOUNDATION.

CYIENT DLM CSR activities are directed towards the benefit of different segments of society, specifically covering the deprived, underprivileged, and unemployed women/girls. It is aimed at providing equal opportunities and, thereby empowering them towards a dignified life.

CYIENT FOUNDATION (formerly Infotech Enterprises Charitable Trust) was executed on March 27, 2002, at Hyderabad in the former united Andhra Pradesh by its Founder & Executive Chairman B. V. R. Mohan Reddy. Since its inception almost 22 years ago, the CYIENT FOUNDATION has conceptualized and enabled various social initiatives, aims to facilitate access to quality education, skill development, and participate in projects with business-aligned social innovation, and invest in environmental development projects.

As an integral part of our commitment to good corporate citizenship, we at CYIENT DLM believe in actively assisting in the improvement of the quality of life of the people in the communities, giving preference to local areas around our business operations.

Towards achieving long-term stakeholder value creation, CYIENT DLM shall always continue to respect the interests of and be responsive towards its key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged, marginalized, and

most vulnerable groups; focused on girls and women in the society at large by providing equality in education and skills.

CYIENT DLM CSR programs drive the Affirmative Action (AA) agenda and other international development goals like Sustainable Development Goals (SDGs), in line with Schedule VII of the Companies Act, 2013 as recommended by the CSR Committee of the Board and approved by the Board from time to time.

1.a.1 The Company's CSR vision includes the following:

Ensuring socio-economic development of the community through different projects specifically covering the deprived, underprivileged children and unemployed women.

Aimed at providing equal opportunities and thereby empowering them towards a dignified life and building a better tomorrow together.

Ensuring environmental sustainability through green interventions, rainwater harvesting, and conservation projects.

b. The Company's CSR mission

Achieving long-term, holistic development of the community around us by being committed to create and support programs that bring about sustainable changes through education, skill development, environment, and innovation in healthcare systems.

Undertaking CSR Activities

Cyient DLM's CSR activities are guided by its CSR committee & ESG Committee and CSR Policy and vision. The Company has formed a CSR committee (designated as CSR & ESG Committee) as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall

indicate the activities to be undertaken by the Company as specified by law.

EDUCATION AND SKILLS INITIATIVES:

- Adopt Government Schools in and around Cyient DLM facilities and provide quality education to underprivileged children
- Provide access to Information Communication Technology (ICT)/IoT (Internet of Things) and digital pedagogical tools to the deprived school children in Government Schools living in and around DLM adopted schools.

Initiative:

- Adopted 4 Government Schools in Telangana and Karnataka

Impact Created:

- Over 1300 children getting quality education
- Girl child enrollment increased to 50%
- Provided nutritional supplements and Water, Sanitation and Hygiene (WASH) facilities
- Developed ICT infrastructure

WOMEN EMPOWERMENT THROUGH SKILL DEVELOPMENT

- Promote gender equality by promoting girl child education in adopted schools
- Empower the women/girls and provide them with sustainable livelihood

Initiative:

Operating Rural Micro Skill Development Centre in Telangana

Impact Created:

- FY2023-24 trained over 500 girls with job-relevant skills
- Placed all the trained women in industries like Healthcare, Electronic Manufacturing, and BPOs

RURAL MICRO SKILL CENTRE (RUMSC)

Program Uniqueness

Targeting local industries having opportunities in Healthcare, Electronic Manufacturing, and BPO non-voice

All the women are unskilled and belong to the age group from 18 to 40 years

510 women/girls in 4 batches were skilled and provided jobs

100% of the women/girls trained were placed in 3 industry sectors

The women's monthly income is raised from ₹8,000 to ₹12,000

Training Type	No. of Girls / Women Trained	Placement %	Average Annual Income
General Duty Assistant	169	100%	1.50 Lakhs – 1.65 Lakhs
Electronics and Soldering	152	100%	1.45 Lakhs – 1.55 Lakhs
BPO / Non-Voice	189	100%	1.20 Lakhs – 1.50 Lakhs
TOTAL	510	100%	

COMMUNITY DEVELOPMENT & ENVIRONMENTAL PROTECTION

- Provide nutrition and preventive health care to the children in adopted schools.
- Promotion of greenery and energy conservation, green energy and water conservation

Initiative:

Participating in Energy and Water Conservation projects

Impact Created:

- 25 poles were installed for a distance covering close to 1km with solar panels and LED lights for the community's benefit.
- Rainwater harvesting pits and plantations in Cyient DLM adopted schools and local communities

The surplus arising out of the CSR activities, projects, or programs shall not form part of the business profit of the Company;

2. THE COMPOSITION OF THE CSR COMMITTEE

The CSR Committee was re-named as CSR & ESG Committee, which currently deals with all matters pertaining to Corporate Social Responsibility and ESG. Accordingly, the details of the CSR & ESG Committee have been provided in the report. The CSR & ESG Committee has been constituted in line with the requirements of provisions of Section 135 of the Companies Act, 2013 and the details of the committee are as follows:

Sr. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
A) Committee composition as on March 31, 2024				
1.	Muralidhar Yadama*	Chairperson, Independent Director	NA	NA
2.	Pillutla Madan Mohan	Member, Independent Director	1	1
3.	B.V.R. Mohan Reddy	Member, Non-Executive Director	1	1
4.	Rajendra Velagapudi	Member, Executive Director	1	1

*Mr. Muralidhar Yadama was appointed as Chairman of the Committee w.e.f. 23.01.2024

Notes:

- a) The changes in the composition of the committee and other details pertaining to the committee can be found in the report on Corporate Governance forming part of the annual report.

3. WEBLINK(S) WHERE THE COMPOSITION OF THE CSR COMMITTEE, CSR POLICY, AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The details can be found at: https://www.cyient.com/hubfs/2021/CSR/Cyient_CSR_Policy_3.1.pdf

4. EXECUTIVE SUMMARY ALONG WITH THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014:

Highlights of the Independent CSR Impact Assessment Report FY2023-24: Cyient DLM CSR Initiatives

Cyient DLM CSR activities are directed towards the benefit of different segments of society, specifically covering the deprived, underprivileged, and differently-abled. It is aimed at providing equal opportunities and thereby empowering them towards a dignified life.

Cyient DLM CSR activities are implemented through CYIENT FOUNDATION. With this backdrop and keeping in view the objectives of Cyient DLM to achieve long-term, holistic development of the community by facilitating access to quality

education, providing IT literacy, and imparting skill training to unemployed youth. Cyient DLM is a part of Community Development Initiatives supporting local communities where the factories are located. CYIENT FOUNDATION via a request letter approached Janma Foundation & Digital Empowerment Foundation to conduct Social Impact Assessments (SIA) in FY2023-24 for the School Education project and Women Empowerment through Skill Development project.

Study Objectives: The overall objective of the study is to evaluate the impact created by Cyient Foundation in two of its major interventions.

Achievements: Provided quality education to 1341 underprivileged children in Cyient DLM adopted government schools. 81.70% of the students are from marginalized communities. 612 girls out of 704 girls studying in Cyient DLM adopted schools are from marginalized communities and deprived of school education.

Academic Year	No. Of Schools	No. Of Children	No. Of Girls	Girls %	SSC PASS %
AY21-22	2	1082	556	51.4%	61.45%
AY22-23	3	1267	662	52.2%	80.61%
AY23-24	4	1341	704	52.5%	80.78%

Cyient DLM's CSR interventions led to a high enrollment of girls (exceeding 52%) and also contributed to an SSC pass percentage of over 80%

Clean sanitation facilities, watch & ward, nutrition support, and educational aids helped increase girl child enrollment in the schools adopted by Cyient DLM.

Achievements: Rural Micro Skill Centre is training local unemployed or semiskilled women on job-related skills to gain sustainable livelihood opportunities. Trained over 500 Girls, in four batches, provided them with jobs, and helped in increasing their annual income to ₹1.65 Lakhs.

Training Type	No. of Girls / Women Trained	Placement %	Average. Annual Income (₹)
General Duty Assistant	169	100%	1.50 Lakhs – 1.65 Lakhs
Electronics and Soldering	152	100%	1.45 Lakhs – 1.55 Lakhs
BPO / Non-Voice	189	100%	1.20 Lakhs – 1.50 Lakhs
TOTAL	510	100%	

74.3% of the women/girls from a total of 510 trained and placed are from marginalized communities.

5.

a. Average net profit of the company as per sub-section (5) of section 135:

CSR Computation for FY2023-24 (Amount in ₹)			
Particulars	FY2020-21	FY2021-22	FY2022-23
Net profit for deciding the CSR criteria	16,46,30,000	49,41,50,000	43,26,73,168
Average Profit for preceding 3 years			36,38,17,723
CSR @2%			72,76,354

- b. Two percent of the average net profit of the company sub-section (5) of section 135: ₹72,76,354
c. Surplus arising out of the CSR projects or programs or activities of the previous financial years: NA
d. Amount required to be set off for the Financial Year, if any: NA
e. Total CSR obligation for the financial year (5(b)+5(c)-5(d)): ₹72,76,354

6.

a. Amount spent on CSR Projects (both Ongoing Projects and Other than Ongoing Projects):

The details of the amount spent on CSR Projects are detailed in the table (i) and (ii) below for Ongoing Projects and Other than Ongoing Projects respectively:

(i) Details of CSR amount spent against ongoing projects for the financial year:

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area		Location of the project.		Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
			(Yes/No).	(Yes/No).	State.	District.				Name	CSR Registration number
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(ii) Details of CSR amount spent against Other than Ongoing Projects for the Financial Year

1.	2.	3.	4.	5.	6.	7.	8.			
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area		Location of the project.		Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency		
			(Yes/No).	(Yes/No).	State.	District.		Name	CSR Registration number.	
1	Promoting Gender Equality and Women empowerment	(iii) Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups	Yes	Yes	Telangana	Mahbubnagar	39,41,238.00	Yes	Cyient Foundation	CSR00004617

1.	2.	3.	4.	5.		6.	7.	8.	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State.	District.			Name	CSR Registration number.
2	Education and Skills Initiatives	(ii) Promoting education, including special education and employment enhancing vocation skills, especially among children, youth, women, and elderly, livelihood enhancement projects	Yes	Telangana	Shamshabad	25,39,560.00	Yes	Cyient Foundation	CSR00004617
				Karnataka	Mysore				
3	Community Development – Solar Street lights for community use.	iv) ensuring environmental sustainability, ecological balance, conservation of natural resources	Yes	Karnataka	Mysore	7,60,156.00	Yes	Cyient Foundation	CSR00004617
Total						72,40,954.00			

- b. Amount spent on Administrative Overheads: ₹35,400.00
- c. Amount spent on Impact Assessment, if applicable: NIL
- d. Total amount spent for the Financial Year (6(a)+6(b)+6(c)): ₹72,76,354.00
- e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year 2023-24 (in ₹)	Amount Unspent (in ₹)			
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135	Name of the Fund	Date of transfer
73,91,366	NA	NA	NA	NA

f. Details of excess amount for set off, if any:

1.	2.	3.
Sr. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	72,76,354
ii.	Total amount spent for the Financial Year	72,76,354
iii.	Excess amount spent for the Financial Year [(ii) - (i)]	0
iv.	Surplus arising out of the CSR projects or programs or Activities of the previous Financial Year, if any	NA
v.	Amount available for setoff in succeeding Financial Year [(iii)-(iv)]	NA

7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1.	2.	3.	4.	5.	6.	7.	8.
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section (6) of section 135 (in ₹)	Balance Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer	
1	2022-23	-	-	-	-	-	-
2	2021-22	-	-	-	-	-	-
3	2020-21	-	-	-	-	-	-

8. WHETHER ANY CAPITAL ASSET(S) HAVE BEEN CREATED OR ACQUIRED THROUGH CSR AMOUNT SPENT IN THE FINANCIAL YEAR:

Yes No

(a) If Yes, enter the number of Capital asset(s) created/ acquired: NA

(b) Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s), including complete address and location of the property	Pin code of the property or asset(s)	Date of creation	Amount of CSR Amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner
1.	2.	3.	4.	5.	6.
NA		NA	NA	NA	NA
					Registered address
					CSR Registration Number, if applicable
					Name
					Registered address

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135

Your directors state that the Company has spent an amount of ₹ 72,76,354 towards the CSR obligation and therefore disclosing the reasons for not spending the prescribed CSR expenditure is not applicable.

Place: Hyderabad
Date: 23.04.2024

Muralidhar Yadama
Chairman, CSR Committee
00034952

Rajendra Velagapudi
Managing Director
06507627

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of Cyient DLM Limited,

Plot No. 5G, Survey No. 99/1,
GMR Aerospace & Industrial Park,
GMR Hyderabad Aviation SEZ,
Rajiv Gandhi International Airport,
Shamshabad, Mamidipalli Village,
Rangareddy – 500 108

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CYIENT DLM LIMITED** having CIN L31909TG1993PLC141346 and having registered office at Plot No. 5G, Survey No. 99/1, GMR Aerospace & Industrial Park, GMR Hyderabad Aviation SEZ, Rajiv Gandhi International Airport, Shamshabad, Mamidipalli Village, Rangareddy - 500108 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of appointment in Company
1	Velagapudi Rajendra	Managing Director	06507627	25/04/2017
2	Venkat Rama Mohan Reddy Bodanapu	Non-Executive & Non-Independent Director	00058215	27/12/2022
3	Ganesh Venkat Krishna Bodanapu	Non-Executive & Non-Independent Director	00605187	27/12/2022
4	Vanitha Datla	Independent Director	00480422	13/12/2022
5	Jehangir Ardeshir	Independent Director	02344835	13/12/2022
6	Pillutla Madan Mohan	Independent Director	09280818	27/12/2022
7	Ajay Kumar	Independent Director	01975789	15/11/2023
8	Muralidhar Yadama	Independent Director	00034952	21/07/2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 19.04.2024

Manish Kumar Singhania
Practicing Company Secretary
ACS No. 22056
C P No: 8068
UDIN: A022056F000189619

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Cyient DLM Limited
Plot No. 5G, Survey No. 99/1,
GMR Aerospace & Industrial Park,
GMR Hyderabad Aviation SEZ,
Rajiv Gandhi International Airport,
Shamshabad, Mamidipalli Village,
Rangareddy - 500108

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cyient DLM Limited having CIN L31909TG1993PLC141346 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the Financial Year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the Financial Year ended on 31st March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Employees' State Insurance Act, 1948, and Employees' State Insurance (General) Regulations, 1950;
- (vi) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Employees' Provident Funds Scheme, 1952;
- (vii) The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;
- (viii) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;
- (ix) Income Tax Act, 1961 and rules made thereunder;
- (x) Central Goods and Services Tax Act, 2017 and rules made thereunder;
- (xi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2013;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;

Note: The Company was listed on the Stock Exchanges (i.e., BSE and NSE on 10th July 2023)

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (iii) Information Technology Act 2000; Information Technology (Amendment) Act 2008 & Rules for the Information Technology Act 2000.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda, and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at short notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, guidelines, etc.

Place: Hyderabad

Date: 19.04.2024

Manish Kumar Singhania
Practicing Company Secretary
ACS No. 22056
C P No: 8068
UDIN No: A022056F000189498

To
The Members,
Cyient DLM Limited
Rangareddy.

My Secretarial Audit Report of even date is to be read along with this letter.

- 1 The maintenance of secretarial records is the responsibility of the Management of the Company. Further, the Company is also responsible for devising proper systems and process to ensure the compliance of the various statutory requirements and governance systems.
- 2 It is the responsibility of the Management of the Company to ensure that the systems and process devised for operating effectively and efficiently.
- 3 My responsibility is to express an opinion on these secretarial records based on my audit.
- 4 I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.
- 5 Wherever required, I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events, etc.
- 6 The Compliance of the provisions of other applicable laws, rules and regulations is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
- 7 The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Hyderabad
Date: 19.04.2024

Manish Kumar Singhania
Practicing Company Secretary
ACS No. 22056
C P No: 8068
UDIN No: A022056F000189498



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CEREMONY OF
CYIENT DLM
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SECRETARIAL COMPLIANCE REPORT OF CYIENT DLM LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2024

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015]

I, Manish Kumar Singhania (Practicing Company Secretary), have examined:

- a. All the documents and records made available to me, and explanation provided by Cyient DLM Limited having CIN L31909TG1993PLC141346 ("the listed entity")
- b. The filings/submissions made by the listed entity to the Stock Exchanges
- c. Website of the listed entity
- d. Any other document/filing, as may be relevant, which has been relied upon to make this certification

For the year ended 31st March 2024 ("Review Period") in respect of compliance with the provisions of:

- a. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI")

The specific regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013
- h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

****The Company was Listed at the BSE and NSE (Stock Exchanges) on 10th July 2023.***

And based on the above examination, I hereby report that during the review period:

And circulars/ guidelines issued there under;

I hereby report that, during the review period the compliance status of the listed entity is appended below;

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1	<p><u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)</p>	YES	
2	<p><u>Adoption and timely updation of the Policies:</u></p> <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of the Board of Directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations/circulars/ guidelines issued by SEBI 	YES	
3	<p><u>Maintenance and disclosures on website:</u></p> <ul style="list-style-type: none"> The listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Weblinks provided in Annual Corporate Governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website 	YES	
4	<p><u>Disqualification of Director:</u> None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013</p>	YES	
5	<p><u>To examine details related to Subsidiaries of listed entities:</u> (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries</p>	YES	The Company has its wholly owned Subsidiary, Cyient DLM Inc., incorporated at the State of Delaware on 5 March 2024 and the same is not a Material Subsidiary.
6	<p><u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per the Policy of Preservation of Documents and Archival Policy prescribed under SEBI LODR Regulations, 2015.</p>	YES	

7	<p><u>Performance Evaluation:</u></p> <p>The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees at the start of every financial year as prescribed in SEBI Regulations</p>	YES	
8	<p><u>Related Party Transactions:</u></p> <p>(a) The listed entity has obtained prior approval of Audit Committee for all Related Party Transactions (b) In case no prior approval is obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee</p>	YES	
9	<p><u>Disclosure of events or information:</u></p> <p>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under</p>	YES	
10	<p><u>Prohibition of Insider Trading:</u></p> <p>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015</p>	YES	
11	<p><u>Actions taken by SEBI or Stock Exchange(s), if any:</u></p> <p>No actions taken against the listed entity/its promoters/directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/guidelines issued thereunder</p>	YES	
12	<p><u>Additional Non-compliances, if any:</u></p> <p>No any additional non-compliance observed for all SEBI regulations/circular/guidance note etc.</p>	NA	As no other non-compliances observed by SEBI

Compliances related to resignation of Statutory Auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October 2019:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS
1	Compliances with the following conditions while appointing/re-appointing an auditor		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	Auditor has not resigned from the company
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter as well as the next quarter; or	NA	
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year	NA	
2	Other conditions relating to resignation of the Statutory Auditor		
	<p>i. Reporting of concerns by the Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity, and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents have been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/ explanation from the company, the auditor has informed the Audit Committee the details of information/ explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p>	NA	

	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in cases where the listed entity/ its material subsidiary has not provided information as required by the auditor.	NA	
3	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18th October 2019.	NA	Auditor has not resigned from the company

**Observations/remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'*

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr No	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary	Management Response	Remarks
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr No	Compliance Requirement (Regulations /circulars/ guidelines including specific clause)	Regulation /Circular No	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary	Management Response	Remarks
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Manish Kumar Singhania
Practicing Company Secretary
ACS No. 22056
C P No: 8068
UDIN: A022056F000189575

Place: Hyderabad
Date: 23.04.2024

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS & OUTGO

1. CONSERVATION OF ENERGY:

Cyient DLM accords the highest priority for Energy Conservation and takes proactive measures to implement the best optimization techniques in the areas of Energy Conservation. As energy conservation is an ongoing process, we at Cyient DLM have been taking continuous measures to implement the best practices in areas of energy conservation.

Our energy conservation initiatives focus on the following areas:

- Energy management and monitoring
- Renewable energy integration
- Afforestation Drive

Energy management and monitoring:

We are bringing down energy usage through new installations and energy-efficient replacements. While this entails additional investments, it also brings substantial annual savings through reduced energy charges. We expect to get returns on these investments in about five years. Since we operate out of multiple sites, every facility offers us opportunities for smarter energy use without making capital-intensive physical changes.

Renewable energy integration:

Environment-friendly alternatives are replacing energy-intensive devices, including LED bulbs, motion sensors lights, air-cooled chillers, hand dryers. We are expanding natural ventilation channels and using modular workstations in our offices. Additionally, we are increasing the share of renewables in our energy mix with solar power.

Waste Management Initiatives:

At Cyient DLM, we responsibly use the resources required for our operations and across our value chain to minimize waste. We support this with an integrated Waste Management Program built on the philosophy of the three Rs – Reduce, Recycle, and Reuse.

We are working to trace our waste disposal workflow to validate its end use and are streamlining processes to reduce waste generation. This is being done at all our Cyient DLM locations.

We prioritize waste management practices to minimize our impact on the environment. We have planned to establish a system of segregated disposal mechanism for different types of waste, including hazardous water, recyclable materials, organic waste, and non-recyclable waste.

Our primary sources of waste are disposed to the vendors certified by the Pollution Control Board (PCB).

Additionally, we have planned to install Organic Waste Converters (OWCs) to manage food and garden waste, which will process the waste and convert it into compost used for gardening and landscaping.

To ensure that we comply with our waste management practices, we have implemented stringent security measures at our main gate. Vendors are checked upon entry and are made to follow our waste management practices strictly. We also encourage the use of biodegradable products.

Finally, we treat wastewater generated at our establishments through a Sewage Treatment Plant (STP) to ensure it meets the necessary standards before being discharged.

2. TECHNOLOGY ABSORPTION:

We intend to leverage technology for enhancement of our processes. We plan to digitize the associates' feedback form for our Customer Satisfaction Survey focusing on Cafeteria Services & Transportation Services. We also plan to implement the Visitor Management, Gatepass Management, Transportation Management Tool, and Help Desk Services by bringing in Technology.

3. FOREIGN EXCHANGE EARNINGS & OUTGO:

Details of Foreign Exchange Earnings and Outgo are as follows:

(₹ in million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	% Increase (Decrease) y-o-y
Foreign Exchange Earnings	6,134.98	6,836.81	(10.27) %
Foreign Exchange Outgo	8,525.15	6,349.83	34.26%

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis.

The company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during FY24.

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship

Sr. No.	Name of the Related Party	Nature of Relationship
1.	Cyient Limited	Holding Company
2.	Cyient Inc.	Fellow Subsidiary
3.	Cyient GmbH	Fellow Subsidiary
4.	Cyient Schweiz GmbH	Fellow Subsidiary
5.	Cyient Singapore	Fellow Subsidiary
6.	Cyient Israel India Limited	Fellow Subsidiary
7.	Cyient Europe Limited	Fellow Subsidiary

(b) Nature of contracts/arrangements/transactions

Electronics Manufacturing Services

(c) Duration of the contracts/arrangements/transactions

Intercompany agreements entered into with Holding & Fellow Subsidiary companies, as amended and ongoing from April 1, 2023 to March 31, 2024.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

To provide Electronics Manufacturing Services to the client/customers of the company as per the tripartite agreements.

The payment terms of each project are as per the intercompany agreements entered into with the respective Holding & Fellow Subsidiary.

(e) Date(s) of approval by the Board, if any:

Not applicable as these are at arms' length basis and in the ordinary course of the business.

(f) Amount paid as advances, if any: Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Place: Hyderabad

Date: 23.04.2024

Krishna Bodanapu
Non- Executive Chairman
DIN:00605187

REPORT ON CORPORATE GOVERNANCE

In pursuance of Regulation 34(3) and Schedule V of the SEBI Listing Regulations, a report on Corporate Governance for FY24 is presented below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

We at Cyient DLM believe that Corporate Governance is about internalising and manifesting a firm commitment to the adoption of ethical practices across the Company to deliver value in all its dealings with a wide group of stakeholders encompassing associates, customers, vendors, regulators, and shareholders at all times. It is in this background that the Company wholeheartedly embraces good governance practices. The Company believes that Corporate Governance is an integral means for its existence. It ensures adherence to moral and ethical values, legal and regulatory framework, and the adoption of good practices beyond the realms of law.

Our Corporate Governance is reinforced through the Company's Code of Conduct and Ethics, corporate governance guidelines, and committee charters. Our Board, management processes, audits, and internal control systems reflect the principles of our Corporate Governance.

Corporate governance is intertwined with the business of the Company and the principles are dovetailed into its activities. Our principles of Corporate Governance include:

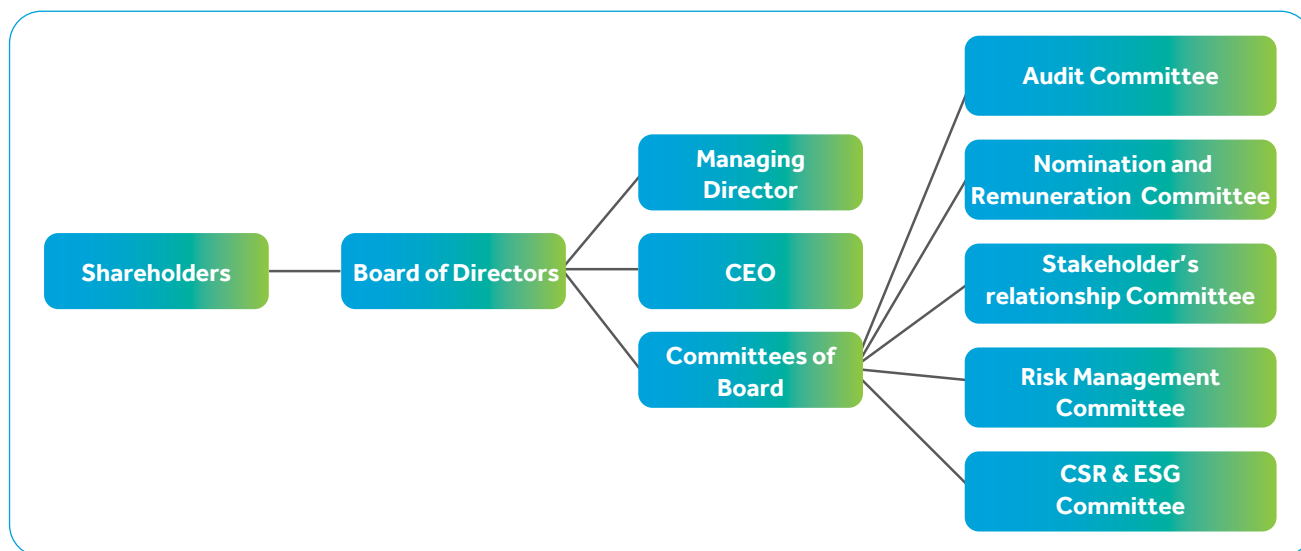
- **Transparency:** Commitment to openness and honesty in all corporate activities, including financial reporting, decision-making processes, and communication with stakeholders.
- **Accountability:** Holding management and the Board of Directors accountable for their actions and decisions, with clear mechanisms for oversight and performance evaluation.
- **Integrity:** Upholding high ethical standards and promoting integrity in all business dealings, avoiding conflict of interest and adhering to legal and regulatory requirements.
- **Fairness:** Ensuring fairness and equity in the treatment of all stakeholders, including shareholders, employees, customers, suppliers, and communities.
- **Risk Management** - Implementing robust risk management practices to identify, assess, and mitigate risks to the Company's reputation, financial stability, and long-term success.



- **Stakeholder Engagement** - Recognizing the importance of engaging with and considering the interests of various stakeholders in corporate decision-making, beyond just maximising shareholder value.
- **Long-Term Sustainability** - Emphasising the importance of sustainable business practices that balance short-term profitability with long-term value creation and Environmental, Social, and Governance (ESG) considerations.

- **Board Independence** - Promoting an independent Board of Directors with diverse expertise and backgrounds, capable of providing effective oversight and challenging management when necessary.
- **Compliance** - Ensuring compliance with all applicable laws, regulations, and governance standards, while striving for best practices beyond mere compliance.
- **Stakeholder Engagement** - Recognizing the importance of engaging with and considering the interests of various stakeholders in corporate decision-making, beyond just maximising shareholder value.

2. BOARD OF DIRECTORS



A. BOARD COMPOSITION AND CATEGORY OF DIRECTORS

Your Company's Board has an appropriate mix of Executive, Non-Executive, and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this report, the Board consists of 8 (eight) Members, which includes 1 (one) Executive Director, 2 (two) Non-Executive Non-Independent Directors, 5 (five) Independent Directors including 1 (one) woman Independent Director.

All Independent Directors possess the requisite qualifications and are experienced in their respective professional fields. The Managing Director does not serve as an Independent Director in any other Listed Company.

Further, none of the Directors act as members of more than 10 (ten) Committees or Chairmen of more than 5 (five) Committees in Public Limited Companies in which they are Directors. Necessary disclosures have been obtained from all the Directors regarding their directorships and have been taken on record by the Board.

Woman Independent Director

In compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Vanitha Datla is the Woman Independent Director on the Board of the Company.

Board Diversity

The company has a truly diverse Board that includes directors with a wide range of skills, regional and industry experience, backgrounds, races, genders, and other distinctions. This diversity is considered when determining the optimum composition of the Board. All Board appointments are made based on merit, considering the skills, experience, independence, and knowledge required for the Board to be effective.

B. MEETINGS OF BOARD

The Board meets regularly to discharge its duties and Directors allocate adequate time to prepare for and attend the board meetings. Board members are aware of the business, its operations, and the Senior Management well enough to contribute effectively to board discussions and decisions. The Board

demonstrates that it has the necessary governance policies, processes, and systems in place and as such generates trust and support among its stakeholders. It maintains robust governance arrangements to ensure that it always acts in a way that will generate sustainable value for the company.

During the FY24, the Board duly met 9 times on the following dates:

Quarter	Dates of Board Meeting
Q-1 (April-June)	17-04-2023
	19-05-2023
	06-06-2023
	19-06-2023
Q-2 (July- September)	01-07-2023
	21-07-2023
Q-3 (October-December)	16-10-2023
Q-4 (January-March)	23-01-2024
	23-02-2024

- The necessary quorum was present at all the meetings.
- 3 resolutions were passed by circulation during the year.

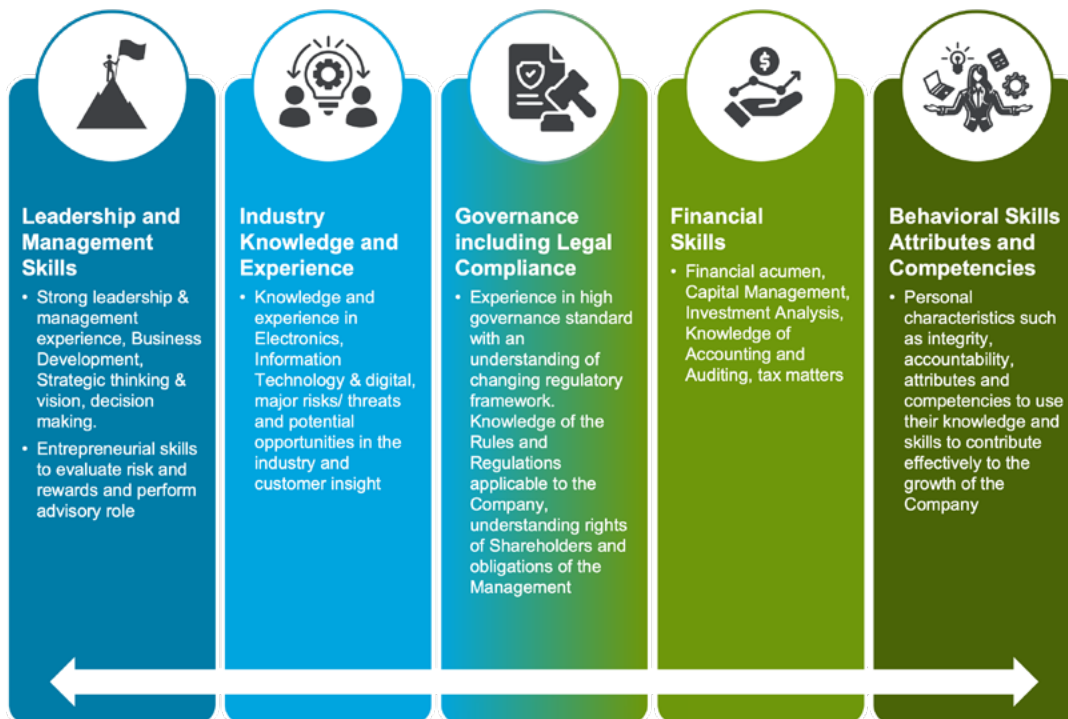
C. ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING

Sr. No.	Name of the Director	Category	No. of Board Meetings entitled to attend	No. of Board Meetings attended	% of attendance	Whether attended the last AGM held on 20 April 2023
1.	Krishna Bodanapu	Non-Executive Chairman	9	9	100	Yes
2.	B.V.R. Mohan Reddy	Non-Executive Director	9	9	100	No
3.	Rajendra Velagapudi	Managing Director	9	9	100	Yes
4.	Jehangir Ardeshir	Independent Director	9	9	100	No
5.	Vanitha Datla	Independent Director	9	9	100	No
6.	Pillutla Madan Mohan	Independent Director	9	6	66	No
7.	Muralidhar Yadama	Independent Director	4	3	75	N.A
8.	Ajay Kumar	Independent Director	2	2	100	N.A

D. DETAILS OF SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

I. Board Skill Matrix

The Board has identified the following skills/expertise/competencies that are fundamental for the effective functioning of the Company, which are currently available within the Board.



The eligibility of a person to be appointed as a Director of the Company depends on whether the person possesses the requisite skill sets identified by the Board as above; and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business.

Sr. No.	Name of the Director	Leadership and Management skills	Industry Knowledge and experience	Governance including Legal Compliance	Financial Skills	Behavioral Skills, Attributes, and Competency
1.	B.V.R. Mohan Reddy	✓	✓	✓	✓	✓
2.	Krishna Bodanapu	✓	✓	✓	✓	✓
3.	Rajendra Velagapudi	✓	✓	✓	✓	✓
4.	Jehangir Ardeshir	✓	✓	✓	✓	✓
5.	Vanitha Datla	✓	✓	✓	✓	✓
6.	Pillutla Madan Mohan	✓	✓	✓	✓	✓
7.	Muralidhar Yadama	✓	✓	✓	✓	✓
8.	Ajay Kumar	✓	✓	✓	✓	✓

E. THE NUMBER OF DIRECTORSHIPS, COMMITTEE CHAIRMANSHIPS/MEMBERSHIPS HELD IN OTHER COMPANIES BY EACH OF THE DIRECTORS IS TABLED BELOW:

Sr. No.	Name of the Director	Designation and Category	Number of Directorship held in other Companies*	Number of Committee membership held in other Companies ^		No. of Equity Shares held in the Company	No. of convertible instruments held in the Company
				As Chairperson	As Member		
1	B.V.R. Mohan Reddy	Non-Executive Director	10	0	2	0	0
2	Krishna Bodanapu	Chairman & Non-Executive Director	5	0	3	0	0
3	Rajendra Velagapudi	Managing Director	1	0	0	1,460	0
4	Jehangir Ardeshir	Independent Director	3	2	1	0	0
5	Vanitha Datla	Independent Director	7	2	2	0	0
6	Pillutla Madan Mohan	Independent Director	4	0	0	0	0
7	Muralidhar Yadama	Independent Director	15	0	1	0	0
8	Ajay Kumar	Independent Director	4	0	2	100	0

* Other companies include Section 8 Companies, Private Limited Companies, and LLPs as per the Companies Act, 2013 and including Cyient DLM Limited.

^ Chairmanship/membership of board committees include only Audit and Stakeholder Relationship committees as required under regulation 26(1)(b) of SEBI (LODR) Regulations, 2015 and also include Cyient DLM Limited.

F. Details of directorships of aforesaid Directors, in other listed entities are given below:

Sr. No.	Director	Name of the Listed Entity	Category
1.	B.V.R. Mohan Reddy	Cyient Ltd.	Non-Executive Director
2.	Krishna Bodanapu	Cyient Ltd.	Vice Chairman and Managing Director
3.	Rajendra Velagapudi	Nil	N.A.
4.	Jehangir Ardeshir	Walchand Peoplefirst Ltd.	Independent Director
5.	Vanitha Datla	Visaka Industries Ltd.	Independent Director
6.	Pillutla Madan Mohan	Nil	N.A.
7.	Muralidhar Yadama	Nil	N.A.
8.	Ajay Kumar	Dynamatic Technologies Ltd., Electrosteel Castings Ltd.	Independent Director

G. INFORMATION GIVEN TO THE BOARD:

The Company mandatorily provides the following information to the Board and the Board Committees as required under regulation 17(7) of SEBI Listing Regulations. Such information is submitted as part of the agenda papers either before the meetings or by way of presentations and discussion materials during the meetings.

- a. Annual operating plans and budgets, capital budgets, updates, and all variances
- b. Quarterly, half-yearly, nine-month, and annual results of the company
- c. A detailed presentation on the business performance of the company
- d. Minutes of meetings of the Audit Committee and other committees
- e. Contract in which Directors and Senior Management Personnel are interested, if any
- f. Update on the significant legal cases of the Company
- g. Subsidiary company's minutes, financial statements, and significant investments
- h. Review the compliance reports of all laws applicable to the Company
- i. Company's strategic direction, management policies, performance objectives, and effectiveness of Corporate Governance practices and evaluations thereof; and
- j. Any other matter that requires the attention and intervention of the Board

H. CODE OF CONDUCT

The company has adopted a Code of Conduct for all board members and designated senior management. The duties of Independent Directors as laid down in the Companies Act, 2013, are incorporated in the Code of Conduct.

The Code of Conduct is available on the website of the Company i.e. <https://www.cyientdlm.com/investors/corporate-governance/>

All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

A declaration signed by the CEO to this effect is annexed to this report.

I. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. Krishna Bodanapu is the son of Mr. B.V.R. Mohan Reddy. None of the other directors are related to any other Director on the Board.

J. BOARD EVALUATION AND ASSESSMENT

The Board of Directors has carried out an annual evaluation of its performance, Board Committees, and individual Directors pursuant to the provisions of the Act and SEBI Listing Regulations.

Board evaluation processes, including in relation to the evaluation of the Chairman, Individual Directors, and Committees, constitute a powerful and valuable feedback mechanism to improve Board effectiveness, maximise strengths and highlight areas for further development. By focusing on the Board as a team and on its overall performance, the company ensures that communication and the overall level of participation and engagement are improved.

In order to facilitate the same, the Board undertook a formal board assessment and evaluation process during FY2023-24, which was administered by means of an online survey. The board evaluation was performed after seeking inputs from all the Directors and included criteria such as the board composition and structure, effectiveness of board processes, information, and functioning as provided by the Guidance Note on Board Evaluation issued by SEBI on 5 January 2017, and the amendments brought in by the SEBI Listing Regulations.

The Chairman of the Nomination & Remuneration Committee has overall stewardship for the process.

The evaluation process elicited responses from the Directors in a judicious manner - ranging from composition and induction of the Board to effectiveness and governance. It also sought feedback on board and committee charters,

strategy, risk management, and quality of discussion and deliberations at the Board. The evaluation process also ensures the fulfilment of independence criteria as specified in the applicable regulations and that the latter are independent of the Management. The Independent Directors do not participate in the evaluation process.

K. FAMILIARISATION PROGRAMS

Non-Executive Directors inducted on the board are given an orientation about the company, its operations, services, board procedures, and processes.

Newly inducted Directors spend approximately 2-3 days at the time of their induction and interact with the Chairman, Managing Director, CEO, CFO, and other members of the Senior Management. They interact with the heads of business units and other functional heads. They are provided with a walk-through of the units/factories and meet the factory managers. Directors are regularly updated on changes in policies and programmes, laws, and the general business environment. Details of the familiarisation programme for Non-Executive Directors and their letter of appointment are published on the website of the company in the link: <https://www.cyientdlm.com/investors/corporate-governance/>

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in strengthening Corporate Governance practices, focusing effectively on the issues, and ensuring expedient resolution of diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations, and decisions of the Committees are placed before the Board for information or approval. The Board of Directors from time to time has constituted the following committees, namely:

A. AUDIT COMMITTEE

The constitution of the Audit Committee also meets the requirements of Section 177 of the Act

and SEBI Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy, and management.

Composition and Meetings of the Audit Committee

The committee was reconstituted on October 16, 2023. As on March 31, 2024, the Audit Committee comprised of 1 (one) Non-Executive Director and 3 (three) Independent Directors.

During the FY2023-24, the Committee met 5 times.

Sr. No.	Name of the Director and Category	Member-ship	No. of Committee Meetings		% of attendance
			entitled to attend	attended	
1	Jehangir Ardeshir Independent Director	Chairman	5	5	100
2	Vanitha Datla Independent Director	Member	5	5	100
3	Muralidhar Yadama* Independent Director	Member	1	1	100
4	Krishna Bodanapu Non-Executive Director	Member	5	5	100

*Appointed w.e.f. October 16, 2023

The specific charter of the committee is Audit Committee

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient, and credible
- Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors, including the internal auditor, cost auditor, and statutory auditor, of our Company and the fixation of audit fees

- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgement by management;
 - iv. significant adjustments made in the Financial Statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to Financial Statements;
 - vi. disclosure of any related party transactions;
 - vii. modified opinion(s) in the draft audit report;
- e. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- g. reviewing and monitoring the auditor's independence and performance, and the effectiveness of the audit process;
- h. formulating a policy on related party transactions, which shall include materiality of related party transactions;
- i. approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
- j. scrutiny of inter-corporate loans and investments;
- k. valuation of undertakings or assets of the Company, wherever it is necessary;
- l. evaluation of internal financial controls and risk management systems;
- m. reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
- n. reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit;
- o. discussion with internal auditors of any significant findings and follow up there on;
- p. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q. discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
- r. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends), and creditors;
- s. to review the functioning of the whistle-blower mechanism;
- t. approval of the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.
- u. carrying out any other function as is mentioned in the terms of reference of the audit committee;

- v. reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments existing as on the date of coming into force of this provision; and
- w. consider and comment on the rationale, cost-benefits, and impact of schemes involving merger, demerger, amalgamation, etc., on our Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

- a. management discussion and analysis of financial condition and results of operations;
- b. management letters/letters of internal control weaknesses issued by the statutory auditors;
- c. internal audit reports relating to internal control weaknesses; and
- d. the appointment, removal, and terms of remuneration of the Chief Internal Auditor shall be subject to review by the audit committee.
- e. statement of deviations:
 - i. quarterly statement of deviation(s) including the report of the Monitoring Agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
 - ii. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- f. To review the financial statements, in particular, the investments made by any unlisted subsidiary; and
- g. Such information as may be prescribed under the Companies Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are as follows:

Particulars	Amount (₹)
Fees for audit and related services paid to S.R. Batliboi & Associates LLP firms and to entities of the network of which the statutory auditor is a part	91,80,000
Other fees paid to S.R. Batliboi & Associates LLP firms and to entities of the network of which the statutory auditor is a part	21,83,500
Total Fees	1,13,63,500

B. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors has constituted and entrusted the Nomination and Remuneration Committee (NRC) with the responsibility as conferred under the Act and the SEBI Listing Regulations. The constitution of the said committee meets the requirements of Section 178 of the Act and SEBI Listing Regulations.

Composition and Meetings of the Nomination & Remuneration Committee

The committee was reconstituted on October 16, 2023 and January 23, 2024. As on March 31, 2024, the NRC Committee comprised of 1 (one) Non-Executive Director and 3 (three) Independent Directors.

During the FY2023-24, the Committee met 3 (three) times. The particulars of the composition of the Nomination & Remuneration Committee and the details of attendance are as follows:

Sr. No	Name of the Director and category	Membership	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended	% of attendance
1	Pillutla Madan Mohan Independent Director	Chairman	3	2	66
2	Vanitha Datla Independent Director	Member	3	3	100
3	Muralidhar Yadama* Independent Director	Member	1	1	100
4	Ajay Kumar^ Independent Director	Member	NA	NA	NA
5	B.V.R. Mohan Reddy Non-Executive Director	Member	3	2	66

* w.e.f. October 16, 2023 up to January 23, 2024

^ appointed w.e.f. January 23, 2024

The specific charter of the Committee is:

- a. formulation of the criteria for determining qualifications, positive attributes, and independence of a Director and recommending to the Board of Directors of our Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees ("Remuneration Policy"). The Nomination and Remuneration Committee, while formulating the remuneration policy, should ensure that:
 - i. the level and composition of remuneration be reasonable and sufficient to attract, retain, and motivate Directors of the quality required to run our Company successfully;
 - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - iii. remuneration to Directors, Key Managerial Personnel, and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.
- b. formulation of criteria for evaluation of the performance of Independent Directors and the Board;
- c. for every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agency, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates
- d. devising a policy on Board diversity;
- e. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal, and carrying out an evaluation of every director's performance (including Independent Directors);

- f. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
- g. recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
- h. carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations, or any other applicable law, as and when amended from time to time.

Directors Remuneration

a. Executive Director/s

The remuneration paid/payable to the Executive Directors is given below:

(Amount in ₹)

Director	Designation	Salary	LTA	PF	Gratuity	ASOP/RSU	Professional Charges	Director Commission	TOTAL
Rajendra Velagapudi	Managing Director	0	0	0	0	0	0	0	0

Notes:

- No stock options/RSUs were granted during the year.

b. Non-Executive Directors

The commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the Board and the shareholders.

The company does not pay any sitting fees to its Directors.

The details of remuneration paid to Non-Executive Directors is as follows:

Name of the Director and category	Commission (For FY2023-24 payable in FY2024-25)
Jehangir Ardeshir	12,00,000
Vanitha Datla	12,00,000*
Pillutla Madan Mohan	12,00,000
Muralidhar Yadama	9,00,000
Ajay Kumar	5,00,000
Total	50,00,000

**Based on the request from the Director, the entire compensation payable for FY2023-24 was transferred to SPARSH HOSPICE (Center for Palliative Care).*

Other than above, there is no pecuniary or business relationship between the Non-Executive Directors and the Company. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

C. Stakeholders Relationship Committee

The Stakeholders Engagement Committee is empowered to perform the functions of the Board relating to the handling of Stakeholders' queries and grievances.

Composition and Meetings of the Stakeholders Relationship Committee:

During the FY2023-24, the Committee met One (1) time. The particulars of the composition of the Stakeholders Relationship Committee and the details of attendance are as follows.

Sr. No.	Name of the Director and category	Membership	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended	% of attendance
1	Vanitha Datla Independent Director	Chairperson	1	1	100
2	Ajay Kumar* Independent Director	Member	NA	NA	NA
3	Krishna Bodanapu Non-Executive Director	Member	1	1	100
4	B.V.R. Mohan Reddy Non-Executive Director	Member	1	1	100

*appointed w.e.f. January 23, 2024

The Committee primarily focuses on:

1. considering and resolving the grievances of the shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc;
2. Evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company;
3. Providing guidance and making recommendations to improve investor service levels for the investors.

Status of Investor Complaints as on 31 March 2024 and reported under Regulation 13(3) of the Listing Regulations is as under:

Particulars	Opening	Received	Resolved	Pending
Non-Receipt of Refund / Unblock /UPI	-	1518	1518	Nil
Non-Credit of Electronic Credits	-	35	35	Nil
Reason for rejection (non-allotment)	-	2	2	Nil

Scores

The Securities Exchange Board of India has initiated a platform for redressing investor grievances through SCORES, a web-based complaints redressal system. The system processes complaints in a centralised web-based mechanism. The company is in compliance with this system.

Name, designation, and address of Compliance Officer:

Name	S Krithika
Designation	Company Secretary & Compliance Officer
Address:	Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, Rajiv Gandhi International Airport, Shamshabad, Hyderabad – 500 108
Telephone No:	+91 8214282222
E-mail	company.secretary@cyientdlm.com

D. Risk Management Committee

The Company has duly constituted a Risk Management Committee and no meeting was held during the FY2023-24. The particulars of the composition of the Risk Management Committee are as follows.

Sr. No.	Name of the Director and category	Membership
1	Jehangir Ardeshir Independent Director	Chairman
2	Vanitha Datla Independent Director	Member
3	Muralidhar Yadama* Independent Director	Member
4	Krishna Bodanapu Non-Executive Director	Member

* w.e.f. October 16, 2023

Terms of Reference of the Risk Management Committee –

The scope and functions of the Risk Management Committee are in accordance with the SEBI Listing Regulations and its terms of reference as stipulated pursuant to the resolution passed by our Board in its meeting held on 27 December 2022 are set forth below:

1. To formulate a detailed Risk Management Policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by our Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG-related risks), information, cyber security risks, or any other risk as may be determined by the committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of our Company;
3. To monitor and oversee the implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems;
4. To periodically review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken;

6. The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
7. Any other similar or other functions as may be laid down by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

E. CSR & ESG Committee

The CSR & ESG Committee deals with all matters pertaining to Corporate Social Responsibility, Diversity, and Inclusion. The Environmental, Social, and Governance (ESG) committees' purpose is to support Cyient DLM's ongoing efforts around environment, health and safety, Corporate Social Responsibility, Inclusion and Diversity, sustainability, and other public policy matters.

Composition and Meetings of the CSR & ESG Committee:

During the FY2023-24, the Committee met one (1) time. The particulars of the composition of the CSR & ESG Committee and the details of attendance are as follows:

Sr. No	Name of the Director and category	Membership	No. of Committee Meetings entitled to attend	No. of Committee Meetings attended	% of attendance
1	Muralidhar Yadama* Independent Director	Chairperson	NA	NA	NA
2	Pillutla Madan Mohan Independent Director	Member	1	1	100
3	Rajendra Velagapudi Managing Director	Member	1	1	100
4	B.V.R. Mohan Reddy Non-Executive Director	Member	1	1	100

*appointed w.e.f. January 23, 2024

Charter of the Committee:

- Review the strategy for ESG matters
- Review and recommend policies and practices in support of the ESG strategy
- Provide oversight on reporting and disclosure of ESG matters
- Consider current and emerging ESG matters that may affect the business, operations, or reputation of Cyient DLM and make recommendations on how practices, policies, and disclosures can be adjusted
- Review systems in place to monitor ESG
- Review this charter annually and propose any changes for approval

4. STATUTORY AND REGULATORY DISCLOSURES

a. Disclosure on Materially significant Related Party Transactions:

The Company's major related party transactions are generally with its Holding and Group Companies. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation, and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All the contracts/arrangements/transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arm's length basis. Except for one transaction with a Holding Company which was not in the ordinary course of business and necessary Board approval was taken. During the year, the Company had not entered into any contract/arrangement/transaction with related parties that could be considered material in accordance with the policy of the Company on Materiality of Related Party Transactions.

None of the transactions with any of the related parties were in conflict with the Company's interest.

The Company's policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is put up on the Company's website and can be accessed at <https://www.cyientdlm.com/investors/corporate-governance/>

5. SENIOR MANAGEMENT

Particulars of Senior Management including the changes therein since the close of the previous financial year

Following are the SMP of the Company in accordance with the provisions of the SEBI Listing Regulations:

Sr. No	Name of the SMP	Designation
1	Mr. Kaushal Jadia [#]	Chief Technology Officer
2	Ms. Neeraja Polisetty	Head of HR
3	Ms. Pooja Jamwal	Head of Corporate Development
4	Mr. Joseph Crowley	Head of Sales
5	Ms. Suchitra R C	Head of EMS
6	Mr. Prashant Mokashi	Head – Program Management
7	Mr. Ram Dornala [*]	Chief Operating Officer
8	Jonathan Wong Yung Hue [^]	Associate Vice President & Head SCM

[#]Appointed w.e.f January 23, 2024. ^{*}Ceased w.e.f. April 3, 2024. [^]Resigned w.e.f October 31, 2023.

6. GENERAL BODY MEETINGS

a. Annual General Meeting

Year(s)	Date of AGM	Time	Venue	No. of Special Resolutions passed
2022-23	20 April 2023	4:00 PM	Registered office	0
2021-22	28 July 2022	10:00 AM	Registered office	0
2020-21	30 November 2021	11:00 AM	Registered office	0

b. Extraordinary General Meeting

One (1) Extra-ordinary General Meeting of the shareholders was held to pass (1) one Special Resolution on 31 May 2023 at the registered office of the Company.

c. Postal Ballot

Four (4) resolutions were passed through postal ballot during the FY24. Below is the list of Special Resolutions passed during the year:

- i. Appointment of Mr. Muralidhar Yadama (DIN: 00034952) as Non-Executive Independent Director
- ii. Approval of Cyient DLM Associate Stock Option Plan 2023
- iii. Approval of Cyient DLM Restricted Stock Unit Plan 2023
- iv. Appointment of Dr. Ajay Kumar (DIN: 01975789) as Non-Executive Independent Director

d. Procedure for Postal Ballot

The company conducts a postal ballot, where required, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations.

e. Disclosures

- i. The CEO and CFO have given a Certificate to the Board as contemplated in SEBI Listing Regulations. This is published elsewhere in the Annual Report.
- ii. There are no materially significant related party transactions. Refer to note no. 30 of the standalone financial statements, forming part of this Annual Report.
- iii. There were no pecuniary transactions with any of the Non-Executive Directors, except payment of commission.
- iv. A compliance report of all applicable laws and regulations duly signed by the Executive Chairman, CFO, and the Company Secretary is placed at periodic intervals for review by the Board. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

- v. The Board considers materially important show cause/demand notices received from statutory authorities and the steps/action taken by the Company in this regard. A status report of material legal cases and disputed liabilities pending before the various courts/judicial forums is also put up to the Board on a quarterly basis. During the year the company received no such notices.
- vi. The Board of Directors has laid down a 'Code of Conduct' (Code) for all the Board Members and Senior Management Personnel of the Company and this code is posted on the website of the Company. The annual declaration is obtained from every associate covered by the Code. The declaration of the CEO, as required under SEBI (LODR) Regulations, 2015, is published elsewhere in the Annual Report.
- vii. The Board regularly discusses the significant business risks identified by the Management and the mitigation process being taken up. A detailed note on risk identification and mitigation is included in the Risk Management Report and Management Discussion and Analysis annexed to the Directors' Report.
- viii. No penalties or strictures were imposed on the Company by the Stock Exchanges, SEBI, or other statutory authorities during the last three years.
- ix. The Company is compliant with the provisions of applicable laws and the SEBI Listing Regulations.
- x. The Senior Management has affirmed to the Board of Directors that there are no material, financial, and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company.
- xi. Krishna Bodanapu is the son of B.V.R. Mohan Reddy. There are no inter-se relationships between and among any other Directors.
- xii. The company is preparing its financial statements in line with the accounting standards prescribed under section 133 of the Act.

- xiii. The Company has raised funds from the public through IPO.
- xiv. The Board has accepted all recommendations made by the respective committees, as applicable.

f. Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The Whistleblower Policy is available on the website of the Company i.e. <https://www.cyientdlm.com/investors/corporate-governance/>. The Company has complied with all mandatory requirements of SEBI Listing Regulations. The Company implemented a web-based/online mechanism under the Whistle Blower Policy. This mechanism encompasses the entire trail from the login of a complaint to its eventual redressal. The system also affords a dial-in facility to associates in various languages across the countries where the company has its operations.

g. Subsidiary Company

The Board of Directors has reviewed the financial statements and minutes of the Board Meetings of the subsidiary company (Cyient DLM Inc.). According to the policy of the Company and applicable regulations under SEBI Listing Regulations, the Company does not have any materially unlisted subsidiary company.

h. Disclosure of commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018, is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

- i. Details of compliance with mandatory and non-mandatory requirements

Mandatory

The Company has complied with all mandatory requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations.

Non-Mandatory

i. Shareholder Rights

The Company sends a quarterly investor update to the shareholders comprising key financial, business, and operations updates. This is sent in the electronic mode and hosted on the Company's website.

ii. Audit Qualification

The Company is in the regime of unmodified audit opinion.

iii. Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

j. CEO and CFO Certification

The CEO and the CFO of the company have given certification on financial reporting and internal controls for FY24 to the Board of Directors at their meeting held on 23 April 2024 as required under regulation 17(8) of SEBI Listing Regulations.

k. Means of Communication

i. Publication of results in newspapers

The quarterly, half-yearly & nine monthly unaudited financial results and annual audited results of the Company are generally published in Business Standard or Financial Express, at the national level in English language as well as Mana Telangana at the regional level in Telugu language circulating in the state of Telangana.

ii. Website and News Release

The quarterly, half-yearly & nine monthly unaudited financial results and annual audited results of the company are available on the website of the company i.e. www.cyientdlm.com. Official news releases, and detailed presentations made to media, analysts, institutional investors, etc. are available on the website of the company i.e.

www.cyientdml.com. Official media releases are sent to BSE Limited and the National Stock Exchange of India Limited. Your Company also makes timely disclosure of necessary information to BSE Limited and the National Stock Exchange of India Limited in terms of the SEBI Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India.

- Further, the following information is available on the website of the company i.e. www.cyientdml.com

Particulars	Web address
Details of business	https://www.cyientdml.com/
Terms and Conditions of Appointment of Independent Directors	https://www.cyientdml.com/investors/corporate-governance/
Composition of various Committees of Board of Directors	https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Composition%20of%20Committees%20of%20the%20Board.pdf
Code of Conduct of Board of Directors and Senior Management Personnel	https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient-DLM-Code_of_Conduct_for_Board_and_Senior_Management.pdf
Details of Establishment of Vigil Mechanism/ Whistle Blower Policy	https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient_DLM-Whistle_Blower_Policy.pdf
Criteria of making payments to Non-Executive Directors	https://www.cyientdml.com/investors/corporate-governance/
Policy on dealing with Related Party Transactions	https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient_DLM-Related_Party_Transactions_Policy.pdf
Details of Familiarization Programmes imparted to Independent Directors	https://www.cyientdml.com/hubfs/dlm/investor/corporate-governance/Cyient_DLM-Policy_on_training_of_Directors_and_familiarizatio_of_IDs.pdf
Email address for Grievance Redressal and other relevant details	https://www.cyientdml.com/contact-us
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	https://www.cyientdml.com/contact-us
Financial Results	https://www.cyientdml.com/investors\keyfinancials

Particulars	Web address
Shareholding Pattern	https://www.cyientdml.com/investors/statutory-filings
Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to the Stock Exchange	https://www.cyientdml.com/investors/statutory-filings
Audio or video recordings and transcripts of post earnings/ quarterly calls	https://www.cyientdml.com/investors/statutory-filings
Advertisements as per regulation 47 (1)	https://www.cyientdml.com/investors/statutory-filings
Secretarial Compliance Report	https://www.cyientdml.com/investors/statutory-filings
Materiality Policy as per Regulation 30 (4)	https://www.cyientdml.com/hubfs/dml/investor/corporate-governance/Cyient%20DLM%20-%20Policy%20to%20determine%20materiality-V2_2023.pdf
Disclosure of contact details of KMP who are authorized for the purpose of determining materiality as required under regulation 30(5)	https://www.cyientdml.com/investors/corporate-governance/
Statements of Deviation(s) or Variations(s) as specified in regulation 32	https://www.cyientdml.com/investors/statutory-filings
Dividend Distribution Policy as per Regulation 43A(1)	https://www.cyientdml.com/hubfs/dml/investor/corporate-governance/Cyient_DLM-Dividend_Distribution_Policy.pdf
Annual Return as provided under section 92 of the Companies Act, 2013	https://www.cyientdml.com/investors/statutory-filings
Confirmation that the above disclosures are in a separate section as specified in regulation 46(2)	https://www.cyientdml.com/investors
Compliance with regulation 46(3) with respect to the accuracy of disclosures on the website and timely updating	https://www.cyientdml.com/investors

iii. Channels of Communication with the Investors

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): All periodical compliance filings like shareholding pattern, Corporate Governance reports, and media releases, among others, are also filed electronically on the Listing Centre.

iv. Presentations made to the Institutional Investors or to the Analysts

The quarterly Investor Presentation is shared by email to those shareholders having their email IDs registered.

i. E-voting

Pursuant to the requirements of the Act and the SEBI Listing Regulations, the Company provides an e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings and also for postal ballot.

m. Additional Shareholders' Information Annual General Meeting

Date	June 28, 2024
Time	11:00 AM (IST)
Venue	Through Video Conference (VC) or Other Audio-Visual Means (OAVM)

n. Financial Calendar

Financial Year – April 1, 2024 to March 31, 2025

p. Tentative calendar for declaration of Financial Results in FY2024-25

Quarter	Period ended on	On or before
Q1	June 30, 2024	July 21, 2024
Q2	September 30, 2024	October 13, 2024
Q3	December 31, 2024	January 12, 2025
Q4	March 31, 2025	April 20, 2025

q. Book Closure dates

The dates for book closure are from June 21, 2024 to June 27, 2024

r. Date of Payment of Dividend

Not Applicable as no dividend was paid during the year

s. Code of Conduct for Prohibition of Insider Trading

Your company has adopted a Code of Conduct as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Senior Management Personnel, persons forming part of Promoter(s)/Promoter(s) Group(s), and such other designated employees who could have access to the unpublished price-sensitive information of the Company are governed by this Code. During the year under review, the Company had made due compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct is available on the Company website i.e. www.cyientdlim.com. Company Secretary of the Company is appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

s. Listing on Stock Exchanges

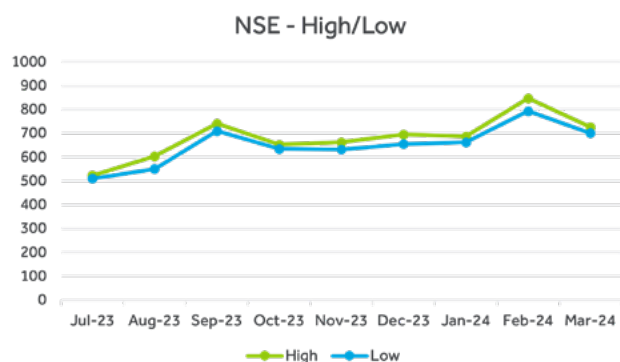
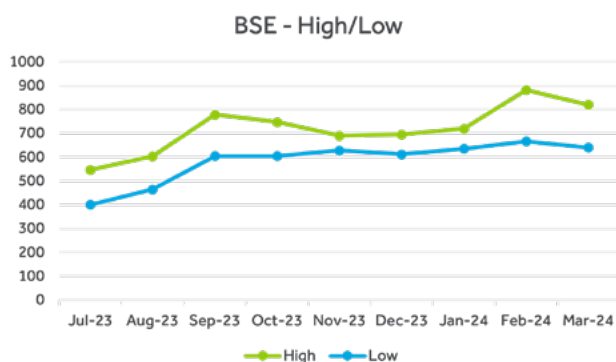
Stock Exchange	Address	ISIN	CIN of the Company	Scrip Code	Listing Fees Paid (Yes/No)
BSE	Phiroze Jeejeebhoy Towers Dalal Street Mumbai-400001	INE055S01018	L31909TG1993PLC141346	543933	Yes
NSE	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051			CYIENTDLM /EQ	Yes

7. MARKET PRICE DATA

i. Monthly high and low prices of your company's shares at BSE and NSE:

The monthly high and low prices of your company's shares at BSE and NSE for FY24 are as under:

Month	BSE		NSE	
	High	Low	High	Low
July - 2023	547.00	401.00	547.40	401.30
August - 2023	604.55	465.05	604.00	466.05
September - 2023	779.00	604.95	778.90	605.00
October - 2023	748.00	604.95	747.70	605.20
November - 2023	691.00	629.15	692.00	629.00
December - 2023	695.50	612.30	695.80	612.30
January - 2024	719.85	636.00	719.60	635.55
February - 2024	882.90	666.95	883.80	666.15
March - 2024	821.00	641.05	820.00	650.10



ii. Share price performance in comparison to broad-based indices:

Particulars	Share Price v/s NSE		Share Price v/s BSE	
	Share Price (in ₹)	Nifty	Share Price (in ₹)	BSE Sensex
As on July 10, 2023 (opening price)	403.00	19,400.35	401.00	65482.33
As on March 31, 2024 (closing price)	720.40	22,460.00	720.00	73,651.35
Changes (%)	78%	15%	79%	12%

iii. Share Transfer System

As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL / CDSL through their Depository Participants.

Kfintech Technologies Limited is the Registrar and Transfer (R&T) Agent.

All queries and requests relating to share transfers/transmissions may be addressed to our Registrar and Transfer Agent:

Kfin Technologies Limited

Unit: Cyient DLM Limited
Karvy Selenium Tower B, Plot 31&32,
Financial District, Gachibowli,
Nanakramguda, Hyderabad – 500 032,
Telangana.

Contact Person: Mr. Mohd. Mohsin Uddin,
Manager – Corporate Registry,
Ph: 040 - 6716 1562
Email: mohsin.mohd@kfintech.com

iv. Address for correspondence

Investors' correspondence may be addressed to Ms. S. Krithika, Company Secretary and any queries relating to the Financial Statements of the Company may be addressed to Mr. Suresh Narayan, Sr. Director, Investor Relations at the Registered Office of the Company - Plot No. 5G, Survey No. 99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, Rajiv Gandhi International Airport, Shamshabad, Hyderabad – 500 108, E-mail: company.secretary@cyientdlm.com

v. Secretarial Audit

Secretarial audit for the Financial Year 2023-24 was done by Mr. Manish Kumar Singhania, a Company Secretary in practice. It, inter alia, includes an audit of compliances with the Act, the Rules made under the Act, SEBI Listing Regulations, and applicable Regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standard issued by the Institute of the Company Secretaries of India. The Secretarial Audit forms part of the Annual Report.

vi. Certificate by a Practicing Company Secretary

As stipulated under the SEBI Listing Regulations, the Company has obtained a certificate from Mr. Manish Kumar Singhania, Company Secretary in practice, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

vii. Reconciliation of Share Capital

As stipulated by SEBI, a Practicing Company Secretary carries out the Reconciliation of Share Capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the reports thereon are submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and physical form.

viii. Dematerialization of Shares and liquidity

Dematerialization of shares is done through M/s. Kfin Technologies Limited. As on March 31, 2024, 100% of the total shares have been dematerialized.

ix. Share Capital

I) Total equity share capital is as follows

Sr. No.	Particulars	Share Capital (in ₹)	Number of Equity Shares of ₹10 each
1	March 31, 2023	52,86,60,000	5,28,66,000
2	March 31, 2024	79,30,61,240	7,93,06,124

II) Summary of Distribution of Shareholding

Summary of Shareholding as on March 31, 2024		
Category	Total Shares	% Equity
Physical	0	0
National Securities Depository Limited (NSDL)	7,63,01,784	96.22
Central Depository Services (India) Limited (CDSL)	30,04,340	3.78
Total	7,93,06,124	100

III) Summary of Distribution Schedule as on March 31, 2024

Description	No. of Cases	% of Cases	Amount
001 - 5,000	58,217	96.44	3,33,53,810
5,001 - 10,000	1,253	2.07	93,70,840
10,001 - 20,000	493	0.81	74,38,830
20,001 - 30,000	150	0.24	37,62,130
30,001 - 40,000	61	0.10	21,10,360
40,001 - 50,000	45	0.07	21,16,930
50,001 - 1,00,000	72	0.11	50,72,910
1,00,001 & Above	75	0.12	72,98,35,430
Total	60,366	100	79,30,61,240

IV) Distribution of Shareholding on the basis of ownership as on March 31, 2024

Sr. No.	Description	No. of Cases	Total Shares	% to Equity
1	Promoters	1	5,28,65,892	66.66
2	Mutual Funds	17	88,58,976	11.17
3	Foreign Portfolio - Corp	40	55,85,156	7.04
4	Resident Individuals	55,543	55,17,363	6.96
5	Bodies Corporates	354	46,77,218	5.90
6	Alternative Investment Fund	6	10,32,187	1.30
7	HUF	1035	2,15,244	0.27
8	Non Resident Indians	642	2,12,013	0.27
9	Employees	673	1,73,107	0.22
10	Non Resident Indian Non Repatriable	408	90,673	0.11
11	Qualified Institutional Buyer	2	74,779	0.09
12	Trusts	2	3,516	0.00
Total		58,723	7,93,06,124	100

v) Shareholders of the company, having more than 1% shareholding as on March 31, 2024

Name	Category	Shares	Percent
Cyient Limited	Promoter	5,28,65,892	66.66
Amansa Investments Ltd	Body Corporate	40,75,471	5.14
Amansa Holdings Private Limited	Foreign Portfolio Investment	21,55,693	2.72
Nippon Life India Trustee Ltd-A/C Nippon Power & I	Mutual Funds	19,00,000	2.4
HDFC Mutual Fund - HDFC Defence Fund	Mutual Funds	15,32,136	1.93
Nippon Life India Trustee Ltd-A/C Nippon India SMA	Mutual Funds	10,56,139	1.33
BNP Paribas Financial Markets	Foreign Portfolio Investment	10,20,214	1.29
DSP India T.I.G.E.R. Fund	Mutual Funds	9,65,297	1.22
Nippon Life India Trustee Ltd-A/C Nippon India RET	Mutual Funds	9,50,000	1.2

Shareholding is consolidated based on the Permanent Account Number (PAN) of the Shareholder.

x. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants/any convertible instruments

xi. Plant Locations

Mysore	1. Plot no.347, D1 &2, KIADB, Electronics City, Hebbal Industrial, Area, Mysore – 570 016 2. No. 120 Part - 121-122 Part of Belagola Industrial Area, Survey No. 43 and 44 of Metagalli Village, Kasaba Hobli, Mysuru, Karnataka – 570016
Hyderabad	Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, Rajiv Gandhi International Airport, Shamshabad, Hyderabad – 500 108
Bangalore	2nd Phase Plot, 27C, 1st Main Rd, Shivapura, Peenya, Bengaluru, Karnataka – 560058

xii. Unclaimed Shares / Dividend

Not applicable for the FY2023-24

xiii. Due dates for the transfer of Dividend Unclaimed to IEPF are as follows:

Not applicable for the FY2023-24

8. Loans and advances in the nature of loans to firms/companies in which Directors are interested: Nil

9. Details of Material Subsidiaries: Not Applicable

10.Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years: Nil

11.Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

- (a) Number of complaints received: Nil
- (b) Number of complaints disposed: Nil
- (c) Number of complaints pending as of the end of the Financial Year: Nil

12.Disclosure of Agreements Binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III

During FY2023-24, no such agreements were entered

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34(3) READ WITH SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members of
Cyient DLM Limited,
Plot No. 5G, Survey No. 99/1,
GMR Aerospace & Industrial Park,
GMR Hyderabad Aviation SEZ,
Rajiv Gandhi International Airport,
Shamshabad, Mamidipalli Village,
Rangareddy - 500108

I have examined the compliance of conditions of corporate governance by Cyient DLM Limited having CIN L31909TG1993PLC141346 (The Company) for the Financial Year ended March 31, 2024, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from April 1, 2023, to March 31, 2024. (The Company was listed on NSE and BSE on July 10, 2023)

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 19.04.2024

Manish Kumar Singhania
Practicing Company Secretary
ACS No. 22056
C P No: 8068
UDIN No: A022056F000189498

CEO'S DECLARATION

I, Anthony Montalbano, CEO do hereby declare that pursuant to the provisions of Schedule V of the SEBI LODR Regulations, 2015, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2024.

Place: Hyderabad
Date: 23.04.2024

For Cyient DLM Limited,
Anthony Montalbano
CEO

CEO / CFO CERTIFICATION PURSUANT TO REGULATION 17(8) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned hereby certify that:

- A. We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024 are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which that are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. During the year:
 - 1) There were no significant changes in internal control over financial reporting;
 - 2) There have not been any significant changes in accounting policies; and
 - 3) There have been no instances of significant fraud of which we are aware that involve management or other employees have significant role in the Company's internal control system over financial reporting.

Anthony Montalbano
Chief Executive Officer

Shrinivas Kulkarni
Chief Financial Officer



WE ARE EXPERTS IN REGULATED INDUSTRIES, HAVING SPECIALIZED KNOWLEDGE AND EXPERIENCE IN BUILDING HIGH QUALITY PRODUCTS.

INDEPENDENT AUDITOR'S REPORT

To the Members of Cyient DLM Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Cyient DLM Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are

relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Revenue Recognition (as described in Note 20 of the Standalone Financial Statements)	
<p>Revenue from contracts with customers is recognised, on the basis of approved contracts, when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.</p> <p>The Company has high sales volume at period end and has varied types of sales arrangements with customers including delivery specifications and incoterms etc. which may affect the timing of transfer of risk & rewards and may lead to recognition of revenue in incorrect period.</p> <p>We have identified recognition of revenue as a key audit matter considering high sales volume at period end and there is a risk that revenue may not be recognised in the correct period or that revenue is overstated.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the Company’s accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • Tested the design and implementation of key internal financial controls with respect to revenue recognition and tested operating effectiveness of such controls. • Performed substantive testing on a sample basis of revenue transactions recorded during the year by checking the underlying documents such as invoice, sales contracts and shipping documents to test evidence for satisfaction of the criteria for recognition of revenue during the year. • Test checked significant manual journals posted to revenue to identify any unusual items and sought explanations from Management. • Test checked sales transactions near to year-end, post year-end and credit notes issued post year-end to determine whether the revenue recognition during the year is appropriate. • We assessed the adequacy of relevant disclosures made within the Standalone Financial Statements.
Inventory-obsolescence (as described in Note 9 of the financial statements)	
<p>The Company holds an inventory balance of ₹4,642.19 million as at March 31, 2024.</p> <p>Inventory obsolescence allowance is determined using policies/methodologies that the Company deems appropriate to the business. Significant judgement is exercised by the Management in identifying the slow-moving and obsolete inventories and in assessing whether provision for obsolescence for slow moving, excess or obsolete inventory items should be recognized considering the production plan, forecast inventory usage, committed and expected orders, alternative usage, etc. Considering that the aforesaid assessment process is complex and involves significant estimates and judgements and the balance of inventory is material, we have identified this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of how the Management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories. • We assessed and tested the design and operating effectiveness of the Company’s internal financial controls over the allowance for inventory obsolescence. • We observed the inventory count performed by the Management and assessed the physical condition of the inventories on a sample basis. • Evaluated the inventories against future usage based on the expected orders on hand and other contractual terms agreed with customers and tested the same on a sample basis.

Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis. • We have tested a sample of inventory items for significant components to assess the cost and tested the basis of determination of net realizable/ value of inventory, on a sample basis. • We assessed the Company's disclosures concerning this in Note 2.3 on significant accounting estimates and judgements and Note 9 on inventories to the standalone Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the

financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, to the extent applicable, we report that:
 - a) were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2 (i) (vi) below on reporting under Rule 11(g);
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - g) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (i) (vi) below on reporting under Rule 11(g).
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or Share Premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in note 36 to

- the Standalone Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, in respect of accounting software, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 38 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Place of Signature: Hyderabad

Date: 23.04.2024

Per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 24213271BKELBW4699

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CYIENT DLM LIMITED ("THE COMPANY")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)	(a) (A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
	(a) (B)	The Company has maintained proper records showing full particulars of intangibles assets.
	(b)	All Property, Plant, and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
	(c)	There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
	(d)	The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets during the year ended March 31, 2024.
	(e)	There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
(ii)	(a)	The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more in aggregate for each class of inventory.
	(b)	As disclosed in note 14 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹5 crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company has not been sanctioned working capital limits from financial institutions during any point of time of the year.
(iii)		During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f) of the Order is not applicable to the Company.
(iv)		Investments in respect of which provisions of Section 186 of the Act are applicable have been complied with by the Company. There are no loans, guarantees and securities given in respect of which provisions of Sections 185 and 186 of the Act are applicable.

(v)		The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
(vi)		We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of electronic manufacturing solutions, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
(vii)	(a)	The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs and Other Statutory Dues applicable to it. The provisions relating to Sales Tax, Service Tax, Value Added Tax, Duty of Excise, and Cess are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs and Other Statutory Dues were outstanding, at the year-end, for a period of more than six months from the date they became payable.
	(b)	There are no dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs and Other Statutory Dues which have not been deposited on account of any dispute.
(viii)		The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
(ix)	(a)	The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	(b)	The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
	(c)	Term loans were applied for the purpose for which the loans were obtained.
	(d)	On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
	(e)	On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The company does not have associates or joint ventures.
	(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The company does not have joint ventures or associate companies. Hence, the requirement to report on clause 3(ix) (f) of the Order is not applicable to the Company.

(x)	(a)	Monies raised during the year by the Company by way of Initial Public Offer (including money raised by way of pre-IPO private placement as stated in paragraph X(b) below) were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in Fixed Deposit payable on demand. The maximum amount of idle/surplus funds invested during the year was ₹4,480 million, of which ₹4,160 million was outstanding at the end of the year.
	(b)	The Company has complied with provisions of Sections 42 and 62 of the Act in respect of the pre-IPO private placement of shares during the year. The amounts raised have been used for the purposes for which the funds were raised as stated in (ix) (a) above. There has not been any preferential allotment of convertible debentures during the year.
(xi)	(a)	No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
	(b)	During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	(c)	As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
(xii)		The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) to (xii)(c) of the Order is not applicable to the Company.
(xiii)		Transactions with the related parties are in compliance with Sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
(xiv)	(a)	The Company has an internal audit system commensurate with the size and nature of its business.
	(b)	The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
(xv)		The Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
(xvi)	(a)	The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a) of the Order is not applicable to the Company.
	(b)	The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
	(c)	The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
	(d)	There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
(xvii)		The Company has not incurred cash losses in the current financial year and the immediately preceding financial year.

(xviii)		There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
(xix)		On the basis of the financial ratios disclosed in note 35 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx)	(a)	In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 27 to the financial statements.
	(b)	There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 27 to the Standalone Financial Statements.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 24213271BKELBW4699

Place: Hyderabad

Date: 23.04.2024

ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CYIENT DLM LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Cyient DLM Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those

Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these Standalone Financial Statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 24213271BKELBW4699

Place: Hyderabad

Date: 23.04.2024

BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	1,374.45	1,217.50
Capital work-in-progress	3C	9.51	13.34
Goodwill	4	30.30	30.30
Other intangible assets	5	22.45	16.46
Right of use assets	3B	494.14	345.28
Financial assets			
(a) Investments	6	662.12	895.22
(b) Other financial assets	7	53.23	34.97
Deferred tax assets (net)	19.2	58.66	53.79
Income tax assets	19.3	-	5.03
Other non-current assets	8	68.79	38.41
Total non-current assets		2,773.65	2,650.30
Current assets			
Inventories	9	4,642.19	4,250.83
Financial assets			
(a) Trade receivables	10	2,258.69	1,617.48
(b) Cash and cash equivalents	11A	416.89	773.41
(c) Other bank balances	11B	4,948.98	902.60
(d) Other financial assets	7	248.93	54.66
Other current assets	8	743.43	797.90
Total current assets		13,259.11	8,396.88
Total assets		16,032.76	11,047.18
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	793.06	528.66
Other equity	13	8,296.72	1,450.06
Total equity		9,089.78	1,978.72

Particulars	Note	As at March 31, 2024	As at March 31, 2023
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	14	746.72	995.63
(b) Lease liabilities	3B	515.10	362.56
(c) Other financial liabilities	15	180.60	166.32
Provisions	16	106.32	95.27
Total non-current liabilities		1,548.74	1,619.78
Current liabilities			
Financial liabilities			
(a) Borrowings	14	588.91	2,149.11
(b) Lease liabilities	3B	70.46	53.21
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	76.80	69.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17	3,123.46	2,783.45
(d) Other financial liabilities	15	216.66	76.49
Other current liabilities	18	1,280.86	2,292.36
Provisions	16	3.49	2.99
Income tax liabilities (net)	19.3	33.60	21.90
Total current liabilities		5,394.24	7,448.68
Total liabilities		6,942.98	9,068.46
Total equity and liabilities		16,032.76	11,047.18
Corporate information and material accounting policies	1 & 2		

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from operations	20	11,918.71	8,320.33
Other income	21	278.26	63.11
Total income		12,196.97	8,383.44
EXPENSES			
Cost of materials consumed	22	9,487.38	6,341.53
Changes in inventories of finished goods and work-in-progress	23	(287.78)	110.61
Employee benefits expense	24	1,173.80	646.94
Finance costs	25	343.87	315.16
Depreciation and amortisation expense	26	223.12	194.15
Other expenses	27	435.19	343.45
Total expenses		11,375.58	7,951.84
Profit before tax		821.39	431.60
Tax expense / (credit)			
(a) Current tax	19.1 (A)	212.09	129.71
(b) Deferred tax	19.1 (A)	(2.66)	(15.38)
Total tax expense / (credit)		209.43	114.33
Profit for the year		611.96	317.27
Other comprehensive income (OCI)			
(a) Items that will not be reclassified subsequently to statement of profit and loss:			
(i) Remeasurement gains/(losses) of net defined benefit liability	29	(8.78)	2.28
(ii) Fair valuation changes on financial instruments measured at FVTOCI		(233.10)	-
(iii) Income tax relating to items that will not be reclassified to profit or loss	19.1 (B)	2.21	(0.57)
Total other comprehensive income/(loss) for the year, net of tax		(239.67)	1.71

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Total comprehensive income for the year, net of tax		372.29	318.98
Earnings per equity share (face value of ₹ 10 each)	31		
Basic (₹)		8.42	7.75
Diluted (₹)		8.39	7.75
Corporate information and material accounting policies	1 & 2		

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

A. Equity share capital

For the year ended March 31, 2024

Particulars	Note	No's	Amount
Balance as at April 1, 2023	12	5,28,66,000	528.66
Add: Issue of equity shares during the year	12	2,64,40,124	264.40
Balance as at March 31, 2024	12	7,93,06,124	793.06

For the year ended March 31, 2023

Particulars	Note	No's	Amount
Balance as at April 1, 2022	12	13,67,000	13.67
Add: Issue of equity shares during the year	12	15,70,000	15.70
Add: Issue of bonus shares during the year	12	4,99,29,000	499.29
Balance as at March 31, 2023	12	5,28,66,000	528.66

- i. On June 6, 2023, the Company has undertaken a pre-IPO placement by way of private placement of 4,075,471 equity shares aggregating to ₹1,080 million at an issue price of ₹265 per equity share.
- ii. The Company has completed an Initial Public Offer ("IPO") by way of fresh issue of 22,364,653 equity shares of face value of ₹10 each of the Company at an issue price of ₹265 per equity share aggregating to ₹5,920 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on July 10, 2023.

B. Other equity

For the year ended March 31, 2024

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Balance as at April 1, 2023		465.72	3.72	980.62	-	-	1,450.06
Profit for the year	13	-	-	611.96	-	-	611.96
Measurement of defined benefit liabilities	13	-	-	(6.57)	-	-	(6.57)
Fair valuation changes on financial instruments	13	-	-	-	-	(233.10)	(233.10)
Premium on issue of shares	13	6,735.60	-	-	-	-	6,735.60
Share based payment expense	13	-	-	-	48.05	-	48.05

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Share issue expenses	13	(309.28)	-	-	-	-	(309.28)
Balance as at March 31, 2024		6,892.04	3.72	1,586.01	48.05	(233.10)	8,296.72

For the year ended March 31, 2023

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Balance as at April 1, 2022		92.09	3.72	661.64	-	-	757.45
Profit for the year	13	-	-	317.27	-	-	317.27
Measurement of defined benefit liabilities	13	-	-	1.71	-	-	1.71
Right issue of shares	13	872.92	-	-	-	-	872.92
Utilization for bonus shares	13	(499.29)	-	-	-	-	(499.29)
Balance as at March 31, 2023		465.72	3.72	980.62	-	-	1,450.06
Corporate information and material accounting policies	1&2						

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Shankar Srinivasan
Partner
Membership No.: 213271

Place: Hyderabad
Date: 23.04.2024

For and on behalf of the Board of Directors
Cyient DLM Limited

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Krithika S
Company Secretary
(M.No. - A37001)

Place: Hyderabad
Date: 23.04.2024

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	821.39	431.60
<i>Adjustments for:</i>		
Depreciation and amortisation expense	223.12	194.15
Loss on sale of Property, Plant and Equipment (net)	-	5.56
Net unrealised exchange loss/(gain)	(3.15)	6.47
Finance costs	343.87	315.16
Interest income	(274.94)	(30.01)
Share based payment expenses	54.49	-
Expected credit loss allowance, net	1.34	13.89
Operating profit before working capital changes	1,166.12	936.82
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(638.10)	(106.57)
Inventories	(391.36)	(1,555.21)
Other assets & Other financial assets	20.60	(352.61)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	341.42	913.80
Provisions & Other liabilities	(1,008.73)	871.83
Cash (used in)/generated from operations	(510.05)	708.06
Income taxes paid	(195.36)	(168.44)
Net cash flow (used in) / generated from operating activities (A)	(705.41)	539.62
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments in Equity instruments of other entities (Unquoted)	-	(892.00)
Payment towards purchase of property, plant and equipment and intangible assets	(337.71)	(76.20)
Investment in deposits	(4,578.96)	(2,413.61)
Proceeds from maturity / withdrawal of deposits	532.57	1,960.50
Interest received	106.81	2.90
Net cash flow (used in)/generated from investing activities (B)	(4,277.28)	(1,418.41)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (Note 12)	7,000.00	888.62
Transaction cost on issue of shares	(305.66)	-
Proceeds from current borrowings	4,467.58	3,950.00
Repayments of current borrowings	(6,114.86)	(3,893.07)
Payment of lease liabilities	(21.84)	(21.13)
Payment of Interest on lease liabilities	(43.32)	(39.45)
Interest paid	(192.16)	(163.19)
Net cash flow generated from financing activities (C)	4,789.74	721.78
Net decrease in cash and cash equivalents (A+B+C)	(192.95)	(157.01)
Cash and cash equivalents at the beginning of the year	611.58	768.59
Exchange differences on translation of foreign currency cash and cash equivalents	(1.74)	-
Cash and cash equivalents at the end of the year (refer note (i) below)	416.89	611.58
Notes:		
(i) Cash and cash equivalents comprises of: (refer note 11A)		
Balances with banks		
in current accounts	416.88	773.40
Cash on hand	0.01	0.01
	416.89	773.41
Bank overdraft account balances	-	(161.83)
	416.89	611.58

Refer Note 11 for Change in liabilities arising from financing activities and for non-cash financing and investing activities. Accompanying notes form an integral part of the financial statements
As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Shankar Srinivasan
Partner
Membership No.: 213271

Place: Hyderabad
Date: 23.04.2024

For and on behalf of the Board of Directors
Cyient DLM Limited

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Krithika S
Company Secretary
(M.No. - A37001)

Place: Hyderabad
Date: 23.04.2024

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FORMING PART OF FINANCIAL STATEMENTS

(All amounts in ₹ million, except share and per share data and where otherwise stated)

1. Corporate Information

The financial statements comprise the financial statements of Cyient DLM Limited (the 'Company') for the year ended March 31, 2024. The company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India, and is a subsidiary of Cyient Limited (Ultimate Holding Company). The registered office of the Company is at Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad-500 108. The Company's shares are listed on two recognised stock exchanges in India.

The Company is principally engaged in providing total electronic manufacturing solutions in the fields of medical, industrial, automotive, telecommunication, defense and aerospace applications and machining of components for aerospace, automotive and defense industries. The financial statements were approved for issue in accordance with a resolution of the Directors on April 23, 2024.

2. Material Accounting Policies

2.1 Basis of Preparation & Presentation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Act), (Ind AS compliant Schedule III), as applicable to the financial statements.

These financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities measured at fair value (refer to accounting policy regarding financial instruments) and consistent with previous year. The financial statements are presented in Indian Rupees ('INR'), and all values are rounded to the nearest millions, except when otherwise indicated.

2.2 Current versus Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in IAS 1, "Presentation of Financial Statements".

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Use of judgements, estimates, and assumptions:

The preparation of the financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions which affects the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the

reported amounts of income and expenditure for the periods presented. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The effects of changes in accounting estimates are reflected in the financial statements in the period in which results are known and, if material, are disclosed in the financial statements.

Significant areas of estimation of uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are:

- Fair value measurement of financial instruments (Refer Note 2.17)
- Provision for inventory obsolescence (Refer Note 2.10)
- Provision for expected credit losses of trade receivables (Refer Note 2.18)
- Share based Payments (Refer Note 2.15)

2.4 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.5 Foreign Currency Translation

Functional and Presentation Currency

The Financial Statements are presented in Indian Rupees ('INR'), which is the functional and presentation currency of the Company.

Transactions and Balances

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Foreign currency-denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange gains and losses arising on settlement or translation are recognized in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.6 Property, Plant and Equipment

Property, Plant and Equipment are initially recognized at cost. The initial cost of Property, Plant, and Equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates.

The cost of Property, Plant, and Equipment includes interest on borrowings (borrowing cost) directly attributable to the acquisition, construction, or production of qualifying assets. Subsequent to initial recognition, property, plant, and equipment are stated at cost less accumulated depreciation (other than freehold land, which is stated at cost) and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The Company depreciates property, plant, and equipment over their estimated useful lives using the Straight-Line Method as per the useful life prescribed in Schedule II to the Act except in respect of the following categories of assets, in whose case the life of the assets has been assessed, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

Type of Asset	Useful Life of the Asset	As per Schedule II of Act
Buildings	Refer note 1 below	
Plant & Machinery	5-15 Years (refer to note 2 below)	15 years
Tools & Equipment	5 Years (refer to note 2 below)	10 years
Furniture & Fixtures	10 Years	10 years
Electrical Installations	10 Years	10 Years

Type of Asset	Useful Life of the Asset	As per Schedule II of Act
Vehicles	10 Years	10 Years
Computers & Servers	3-5 Years	3-6 Years
Office Equipment	5 Years	5 Years

Notes:

- Buildings constructed over leasehold land are depreciated over the remaining lease term of land or life as specified under Schedule II of the Act, whichever is lower.
- The Company, based on the technical assessment made by technical experts and management estimate, depreciates certain items of Plant & Machinery, Computers & Servers, and Tools & Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The Management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

The residual values, useful lives, and methods of depreciation of Property, Plant and Equipment are reviewed at each Financial Year end and adjusted prospectively, if appropriate.

2.7 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment. Intangible assets are amortized over their estimated useful life on a Straight-Line basis as follows:

Type of Asset	Useful life
Computer Software	3 years

Gains or losses arising from the de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of profit and loss when the asset is de-recognized.

2.8 Leases

Company as Lessee

The Company assesses, at contract inception, whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a Lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a Straight-Line basis over the term of the lease.

i) Right-of-use Assets

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances

indicate that their carrying amounts may not be recoverable. The right-of-use assets are also subject to impairment.

ROU Asset	Useful Lives
Leasehold Land	19 years
Buildings	3-10 years

ii) Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made or a change in the assessment of extension or termination options. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments). Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.9 Income Taxes:

The income tax expense or credit for the period is the tax payable or tax receivable on the taxable income based on the applicable income tax rate in India adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in

equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current tax and deferred tax are calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period in India.

Deferred tax is provided using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

2.10 Inventories:

Inventories are valued at the lower of cost and net realizable value.

Inventories consist of raw materials, stores, and spares, work in progress, and finished goods. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares consist of packing materials, engineering spares (such as

machinery spare parts), and consumables (such as lubricants and oils), which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The factors that the Company considers in determining the provision for slow-moving, excess, or obsolete inventory items include production plan, orders in hand, forecast inventory usage, committed and expected orders, and alternative usage. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.11 Cash and Cash Equivalents:

Cash comprises cash on hand, in the bank, and demand deposits with banks. The Company considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash on hand, in bank and demand deposits with banks, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.12 Provisions and Contingent Liabilities

2.12.1 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as an interest expense. Provisions are not recognized for future operating losses.

Provisions for onerous contracts are recognized when the expected benefits to be desired by the Company from a contract are lower than unavoidable costs of meeting future obligations under the contract and are measured at the present value of the lower-than-expected net cost of fulfilling the contract and expected cost of terminating the contract.

2.12.2 Contingencies

Contingent liability is disclosed for all possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company (or) present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are not recognized in the financial statements but disclose their existence in the financial statements unless the probability of outflow of resources is remote. A contingent asset is neither recognized nor disclosed in the financial statements.

2.13 Revenue Recognition

Revenue from contracts with customers is recognised, on the basis of approved contracts, when control of the goods or

services is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is the principal as it typically controls the goods or services before transferring them to the customer.

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally upon delivery of the goods. Revenue from the rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The arrangement with the customer specifies services to be rendered which meet the criteria of performance obligations. For allocation of transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The transaction price of goods sold and services rendered is net of variable consideration. Variable consideration includes incentives, volume rebates, discounts, etc., which is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at the end of each reporting period.

Trade Receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.17

Financial Instruments – Initial Recognition and Subsequent Measurement.

Contract Liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Generally, the Company receives advances from a few of its customers. If there is a manufacturing lead time of more than one year after signing the contract and receipt of payment, then there is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the goods. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Company and the customer at contract inception. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

2.14 Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.15 Employee Benefit Plans

Employee benefits include Provided Fund, Employees' State Insurance Scheme, Gratuity Fund, and Compensated Absences.

Post-employment Obligations:

Defined Contribution Plans:

Contributions in respect of the Employees' Provident Fund which are defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans

Gratuity:

The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using the projected unit credit method. The liability recognized in the balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plant assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized

immediately in the statement of profit and loss as past service cost.

Compensated Absences:

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the balance sheet date on the projected unit credit method.

Share-based Payments

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss, using fair value in accordance with Ind AS 102, Share-based payments.

The stock options are measured at the fair value of the equity instruments at the grant date, based on the Option Valuation Model (Black Scholes Model). The fair value determined at the grant date of the stock options is expensed on a Straight-Line basis over the vesting period, based on the Company's estimate of the equity instruments that will eventually vest, with a corresponding increase in share-based payments reserve in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative

expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve in equity. The equity settlement component is not remeasured at each reporting date. The cash settlement component is remeasured at each reporting date and at the settlement date based on the fair value of the liability with any changes in the fair value recognised in the statement of profit and loss.

Other short-term employee benefits

Other short-term employee benefits and performance incentives expected to be paid in exchange for the services rendered by employees are recognized during the period when the employee renders service.

2.16 Financial Instruments

a) Initial Recognition:

Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivable. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.13 Revenue Recognition.

b) Subsequent Measurement:

(i) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets:

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

(ii) Financial Liability:

All financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liability subsequently measured at amortized cost:

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance costs' line item.

c) Foreign exchange gains and losses:

For foreign currency-denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those that are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets

measured at amortized cost. Thus, the exchange differences in the amortized cost are recognized in profit or loss, and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in profit or loss.

d) De-recognition of Financial Assets and Liabilities:

Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company retains substantially all the risk and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have

otherwise been recognized in profit or loss on disposal of that financial asset.

Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the statement of profit and loss.

2.17 Determination of Fair Values

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, and dealer quotes. All methods of assessing fair value result in a general approximation of value and such value may never actually be realized.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability of market participants when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.18 Impairment of Assets

Financial Assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) Model for the financial assets which are not fair valued through the statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine the impairment

loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The ECL loss allowance (or reversal) during the year is recognized in the statement of profit and loss.

Non-Financial Assets

Intangible assets, property, plant and equipment, and ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Intangible assets under development are tested for impairment annually. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.19 Earnings Per Share:

The Company presents basic and diluted Earnings Per Share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.20 New and Amended Standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023, to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. These amendments are applied first time by the company.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies, and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company’s standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that

are more useful by replacing the requirement for entities to disclose their ‘significant’ accounting policies with a requirement to disclose their ‘material’ accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company’s disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Company’s financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact on the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2022.

2.21 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3A. Property, Plant and Equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of:		
Buildings	709.63	753.73
Computers	69.64	33.44
Plant and equipment	425.84	300.45
Office equipment	16.92	11.69
Furniture and fixtures	68.63	55.59
Electrical installations	23.12	15.19
Vehicles	0.01	0.01
Tools and equipment	60.66	47.40
Total	1,374.45	1,217.50

Notes:

Movement in the carrying amounts of property, plant and equipment is as below:

Particulars	Buildings*	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total	CWIP
I. Gross carrying value										
Balance as at April 1, 2022	901.46	92.11	845.31	28.19	144.29	40.44	0.27	125.68	2,177.75	33.91
Additions	6.14	17.79	9.19	6.91	4.34	2.05	-	28.60	75.02	54.45
Disposals	-	(1.87)	(70.85)	-	(3.19)	(0.08)	-	-	(75.99)	(75.02)
Balance as at March 31, 2023	907.60	108.03	783.65	35.10	145.44	42.41	0.27	154.28	2,176.78	13.34
Additions	6.63	52.77	187.58	9.58	24.42	10.80	-	29.08	320.86	317.03
Disposals	-	-	-	-	-	-	-	-	-	(320.86)
Balance as at March 31, 2024	914.23	160.80	971.23	44.68	169.86	53.21	0.27	183.36	2,497.64	9.51
II. Accumulated depreciation										
Balance as at April 1, 2022	104.12	64.34	492.64	19.97	81.92	24.78	0.26	94.89	882.92	-
Depreciation for the year (refer note 26)	49.75	12.04	56.12	3.44	10.95	2.50	-	11.99	146.79	-
Disposals	-	(1.79)	(65.56)	-	(3.02)	(0.06)	-	-	(70.43)	-
Balance as at March 31, 2023	153.87	74.59	483.20	23.41	89.85	27.22	0.26	106.88	959.28	-
Depreciation for the year (refer note 26)	50.73	16.56	62.19	4.35	11.38	2.87	-	15.82	163.90	-
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	204.60	91.15	545.39	27.76	101.23	30.09	0.26	122.70	1,123.18	-
III. Carrying Amounts (I-II)										
Balance as at March 31, 2023	753.73	33.44	300.45	11.69	55.59	15.19	0.01	47.40	1,217.50	13.34
Balance as at March 31, 2024	709.63	69.64	425.84	16.92	68.63	23.12	0.01	60.66	1,374.45	9.51

* relates to building constructed on leasehold land

3B. Leases

(a) Right of use assets

Particulars	Leasehold land	Buildings	Total
Balance as at April 1, 2022	360.87	21.99	382.86
Additions	-	-	-
Deletions	-	-	-
Depreciation (refer note 26)	(22.54)	(15.04)	(37.58)
Balance as at March 31, 2023	338.33	6.95	345.28
Additions	-	191.63	191.63
Deletions	-	-	-
Depreciation (refer note 26)	(22.54)	(20.23)	(42.77)
Balance as at March 31, 2024	315.79	178.35	494.14

(b) Current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	70.46	53.21
Non-current lease liabilities	515.10	362.56
Total	585.56	415.77

The following is the movement in lease liabilities during the year ended

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	415.77	436.90
Additions	191.63	-
Deletions	-	-
Finance cost accrued during the period (refer note 25)	43.32	39.45
Payment of lease liabilities	(65.16)	(60.58)
Balance at the end of the year	585.56	415.77

The table below provides details regarding contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	87.09	51.86
One to five years	408.46	169.07
More than five years	463.47	560.75
Total	959.02	781.68

The Company does not face a significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities is 10%, with maturity between 2024-2038.

(c) The following are the amounts recognised in Profit or Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of right-of-use assets	42.77	37.58
Interest on lease liabilities	43.32	39.45
Total	86.09	77.03

3C. Capital work-in-progress ageing schedule

(i) Ageing of capital work-in-progress

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at March 31, 2024					
Projects in progress	7.96	1.55	-	-	9.51
Total	7.96	1.55	-	-	9.51
Balance as at March 31, 2023					
Projects in progress	13.34	-	-	-	13.34
Total	13.34	-	-	-	13.34

Note 1: Projects in progress are not overdue and not exceeded the cost.

Note 2: Refer Note 3A for CWIP movement.

Note 3: There are no projects that are temporarily suspended.

4. Goodwill

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of year	30.30	30.30
Additions through business combinations	-	-
Foreign currency transaction adjustments	-	-
Balance at end of the year*	30.30	30.30

*Represents Goodwill acquired on acquisition of Techno Tools, which is tested for impairment on an annual basis. The estimated value-in-use is based on future cash flows (discounted @ 14% post tax) for a forecast period of 5 years and terminal growth rate of 0.5%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates) are based on reasonably probable assumptions and we did not identify any probable scenario in which the recoverable amount of Goodwill would decrease below its carrying amount.

5. Other Intangible Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of:		
Computer software	22.45	16.46
Total	22.45	16.46

Movement in the carrying amount of intangible assets is as below:

Particulars	Computer software	Total
I. Gross carrying amount		
Balance as at April 1, 2022	107.74	107.74
Additions	12.12	12.12
Disposals	-	-
Balance as at March 31, 2023	119.86	119.86
Additions	22.43	22.43
Disposals	-	-
Balance as at March 31, 2024	142.30	142.30
II. Accumulated amortisation		
Balance as at April 1, 2022	93.62	93.62

Particulars	Computer software	Total
Amortisation for the year (refer note 26)	9.78	9.78
Disposals	-	-
Balance as at March 31, 2023	103.40	103.40
Amortisation for the period (refer note 26)	16.45	16.45
Disposals	-	-
Balance as at March 31, 2024	119.85	119.85
III. Carrying amounts (I-II)		
Balance as at March 31, 2023	16.46	16.46
Balance as at March 31, 2024	22.45	22.45

6. Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Investments carried at fair value through other comprehensive income (unquoted), Full paid up		
Equity instruments of other entities (Unquoted)	662.12	895.22
Total	662.12	895.22

Note: Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

Note (a): Details of investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity instruments of other entities (unquoted)				
Mysore ESDM Cluster	31,93,237	3.22	31,93,237	3.22
STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited)	23,42,869	658.90	23,42,869	892.00

Note (b): Carrying value of investments

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Investments carried at fair value through other comprehensive income	662.12	895.22

Note (c): Gain or (loss) on fair valuation of investments

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited)	(233.10)	-

7. Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
(at amortised cost)		
Unsecured, considered good		
Security deposits	53.23	34.97
Total	53.23	34.97
Current		
(at amortised cost)		
Unsecured, considered good		
Security deposits	29.60	5.00
Interest accrued on deposit accounts	216.43	48.30
Advance to employees	2.90	1.36
Total	248.93	54.66
Total other financial assets	302.16	89.63

8. Other Assets (Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
8A: Non-current:		
Capital advances	66.94	22.63
Prepayments	1.85	15.78
Total	68.79	38.41
8B: Current:		
Prepayments	47.76	35.11
Advance to suppliers	360.90	340.62
Balances with government authorities	297.57	346.61
Share Issue expenses (Refer note 1)	-	61.93
Other current assets	37.20	13.63
Total	743.43	797.90
Total other assets	812.22	836.31

Note 1:

During the year ended 31 March 2023, the Company had incurred share issue expenses in connection with proposed public offer of equity shares of which ₹61.93 was accounted for various services received for Initial Public Offering (IPO) which was later adjusted with securities premium on issue of shares.

9. Inventories (Valued at lower of cost or net realisable value) (Net of provision)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	3,981.45	3,896.08
Work-in-progress	396.17	235.97
Finished goods	226.93	99.35
Consumables & stores	37.64	19.43
Total	4,642.19	4,250.83

10. Trade Receivables (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables		
Unsecured, considered good	2,370.09	1,698.85
Less: Allowance for expected credit loss	(111.40)	(81.38)
	2,258.69	1,617.48

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables - credit impaired - unsecured	15.02	43.71
Less: Allowance for credit impairment	(15.02)	(43.71)
Total	2,258.69	1,617.48
Trade receivables	2,164.69	1,570.77
Trade receivables from related parties (refer note 30)	94.00	46.71
Total	2,258.69	1,617.48

Note:

Expected Credit Loss (ECL):

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The average credit period is between 60-90 days. Before accepting any new customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits for each customer. Limits and scoring attributed to customers are reviewed once a year.

As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Accordingly, the Company creates provision for past due receivables less than 270 days ranging between 1%-30% and 100% for the receivables due beyond 270 days. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Ageing for receivables	As at March 31, 2024						Total
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Undisputed Trade Receivables							
Considered good	1,574.30	634.32	44.00	50.38	8.31	58.78	2,370.09
Disputed Trade Receivables							
Credit impaired	-	-	-	-	-	15.02	15.02
Total	1,574.30	634.32	44.00	50.38	8.31	73.80	2,385.11
Less : Allowance for credit impairment and expected credit loss							(126.42)
Balance at the end of the year							2,258.69

Ageing for receivables	As at March 31, 2023						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	Total
Undisputed Trade Receivables							
Considered good	1,108.02	504.07	39.17	14.86	19.99	12.75	1,698.85
Disputed Trade Receivables							
Credit impaired	-	-	-	-	-	43.71	43.71
Total	1,108.02	504.07	39.17	14.86	19.99	56.46	1,742.56
Less : Allowance for credit impairment and expected credit loss							(125.08)
Balance at the end of the year							1,617.48

Movement in the expected credit loss allowance	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	125.08	124.00
Provision made during the year (net of reversals) (refer note 27)	1.34	13.89
Bad debts written off	-	(12.81)
Balance at the end of the year	126.42	125.08

Note 1: No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

11. Cash and Bank Balances

11A. Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
in current accounts	416.88	582.56
Cash on hand	0.01	0.01
Remittances in transit	-	190.84
Total	416.89	773.41

11B. Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits held as margin money/security for bank guarantees*	730.63	902.60
Deposits in bank with original maturity more than 3 months but less than 12 months**	4,160.00	-
Balance in Escrow Accounts	58.35	-
Total	4,948.98	902.60

*Deposits held as margin money is towards non-fund based limits sanctioned by the bank for establishment of bank guarantee and letter of credits.

**Represents money received from issue of shares through Initial Public Offering, which were not required for immediate utilization and invested in fixed deposits payable on demand.

Note:

Changes in liabilities arising from financing activities and non-cash financing and investing activities:

For the year ended March 31, 2024:

Particulars	As at March 31, 2023	Additions	Finance cost accrued during the period	Proceeds	Repayment	Foreign exchange	As at March 31, 2024
Non-current borrowings (including current portion)	995.63	-	-	-	-	-	995.63
Current borrowings (net)*	2,149.11	-	-	4,467.58	(6,276.69)	-	340.00
Lease liabilities	415.77	191.63	43.32	-	(65.16)	-	585.56
Total liabilities from financing activities	3,560.51	191.63	43.32	4,467.58	(6,341.85)	-	1,921.19

For the year end March 31, 2023:

Particulars	As at March 31, 2022	Additions	Finance cost accrued during the period	Proceeds	Repayment	Foreign exchange	As at March 31, 2023
Non-current borrowings (including current portion)	995.63	-	-	-	-	-	995.63
Current borrowings (net)*	1,936.30	-	-	4,111.83	(3,893.07)	(5.95)	2,149.11
Lease liabilities	436.90	-	39.45	-	(60.58)	-	415.77
Total liabilities from financing activities	3,368.83	-	39.45	4,111.83	(3,953.65)	(5.95)	3,560.51

*Repayment includes movement on bank overdraft balances.

Non-cash financing and investing activities

Acquisition of Right-of-use assets for the year ended March 31, 2024 ₹191.63 (March 31, 2023 ₹ Nil)

12. Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
8,50,00,000 (March 31, 2023 : 8,50,00,000) equity shares of ₹10 each	850.00	850.00
Issued and subscribed capital:		
7,93,06,124 (March 31, 2023: 5,28,66,000) fully paid up equity shares of ₹ 10 each	793.06	528.66
Total	793.06	528.66

- On June 6, 2023, the Company has undertaken a pre-IPO placement by way of private placement of 4,075,471 equity shares aggregating to ₹ 1,080 million at an issue price of ₹ 265 per equity share.
- The Company has completed an Initial Public Offer ("IPO") by way of fresh issue of 22,364,653 equity shares of face value of ₹ 10 each of the Company at an issue price of ₹ 265 per equity share aggregating to ₹ 5,920 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on July 10, 2023.
- The Company has neither issued any shares with differential voting rights nor issued any sweat equity shares during the year ended March 31, 2024 and March 31, 2023.

Note:**(A) Reconciliation of Equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares held	Amount	No of shares held	Amount
Balance as at beginning of the year	5,28,66,000	528.66	13,67,000	13.67
Add: Issue of shares	2,64,40,124	264.40	15,70,000	15.70
Add: Issue of Bonus shares	-	-	4,99,29,000	499.29
Balance as at end of the year	7,93,06,124	793.06	5,28,66,000	528.66

(B) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid up equity shares				
Cyient Limited (Ultimate Holding company)	5,28,66,000	66.66%	5,28,66,000	100.00%
Amansa Investments Ltd	40,75,471	5.14%	-	-

As per records of the Company, including its register of shareholders and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(C) Details of Shares held by promoters at the end of the year

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2023	Change	March 31, 2024		
Cyient Limited (Ultimate Holding company)	5,28,66,000	-	5,28,66,000	66.66%	-

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2022	Change	March 31, 2023		
Cyient Limited (Ultimate Holding company)	13,67,000	5,14,99,000	5,28,66,000	100.00%	3767%

(D) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(E) Equity shares issued as bonus during the five years preceding March 31, 2024:

Pursuant to resolution passed by the Directors of the Company on December 13, 2022 and approved by the extraordinary general meeting held on December 14, 2022, the Company had allotted 49,929,000 fully paid-up equity shares of face value of ₹ 10 each by way of bonus issue to its shareholders bonus shares in the ratio of 1:17.

(F) Employee Share based expenses

- (i) Cyient Limited ("Ultimate Holding Company") of the Company instituted Associate stock option plan 2015 (ASOP 2015) in July 2015 and earmarked 1,200,000 equity shares of ₹ 5 each for issue to the employees of the Holding Company and its subsidiaries. Under ASOP 2015, options will be issued to employees at an exercise price, which shall not be less than the market price of the Ultimate Holding Company on the date of grant. These options vest over a period ranging from one to three years from the date of grant, starting with 10% at the end of first year, 15% at the end of one and half years, 20% after two years, 25% at the end of two and half years and 30% at the end of third year. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	6,200	473	9,953	473
Transfer of Employees	33,670	583	-	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(29,829)	513	(3,753)	473
Options outstanding at the end of the year	10,041	490	6,200	473

The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 455 - ₹ 678
Dividend yield (%) - 1.7 - 2.9, Expected volatility (%) - 29.8 - 41.60, Risk-free interest (%) - 4.49 - 7.9, Expected term (in years) - 3 - 4.

- (ii) Cyient Limited ("Ultimate Holding Company") of the Company instituted the ARSU's 2020 plan earmarking 1,050,000 shares of ₹ 5 each which provided for grant of RSUs to eligible associates of the Company and its subsidiaries. The Board of Directors recommended the establishment of the plan on January 16, 2020 and

the shareholders approved the recommendation of Board of Directors on March 5, 2020 through a postal ballot. The RSUs will vest over a period of three years from the date of grant. These options vest over a period ranging from one to three years from the date of grant, starting with 30% at the end of first year, 50 % after two years, 20% at the end of third year. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	1,168	5	1,040	5
Transfer of Employees	1,316	5	-	-
Granted	-	-	440	5
Forfeited	-	-	-	-
Exercised	(1,968)	5	(312)	5
Options outstanding at the end of the year	516	5	1,168	5

The fair value of RSUs granted in the year was March 31, 2024 ₹ Nil, March 31, 2023 ₹ 726 to 745. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 811 - ₹ 874 Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 38.73 - 41.90, Risk-free interest (%) - 4.96 - 6.8, Expected term (in years) - 3.

- (iii) Cyient Limited ("Ultimate Holding Company") of the Company has instituted the ASOP 2021 scheme and also incorporated 'Cyient Associate Stock Option Scheme 2021 Trust' (Trust), whereunder shares were purchased from the stock exchanges through the Trust. KP Corporate Solutions Limited, Corporate Trustee, has been appointed as trustee for this Trust. Shareholders of the Ultimate Holding Company have approved the Scheme and the formation of Trust through postal ballot on February 23, 2021.

During the year ended March 31, 2022, Trust purchased 1,079,000 shares. The options will vest over 3 years from the grant date and the Leadership Nomination and Remuneration Committee will determine the vesting schedule. Vesting in any particular year will not exceed 50% of the total grant. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	9,200	5	9,200	5
Transfer of Employees	27,200	5	-	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(10,692)	5	-	-
Options outstanding at the end of the year	25,708	5	9,200	5

The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 806 - ₹ 983. Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 36 - 41.80, Risk-free interest (%) - 5.1 - 6.3, Expected term (in years) - 3 - 4.

- (iv) Cyient DLM Limited instituted the restricted stock unit plan 2023 plan earmarking 7,33,800 shares of ₹ 10 each which provided for grant of RSUs to eligible associates of the Company and its subsidiaries. The Board of Directors recommended the establishment of the plan on July 21, 2023 and the shareholders approved the recommendation of Board of Directors on September 9, 2023 through a postal ballot. The RSUs will vest over a period of three years from the date of grant.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	-	-
Granted	7,33,800	10	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Options outstanding at the end of the year	7,33,800	10	-	-

The fair value of RSUs granted in the year was March 31, 2024 - ₹ 444, March 31, 2023 - Nil. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 634, Dividend yield (%) - 0.5, Expected volatility (%) - 35.60 - 40.40, Risk-free interest (%) - 7, Expected term (in years) - 5.

The total charge for the year relating to employee share based payment plans was March 31, 2024 - ₹ 54.49, March 31, 2023 - ₹ 5.42

13. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
(a) General reserve	3.72	3.72
(b) Securities premium		
(i) As at beginning of the year	465.72	92.09
(ii) Premium on right issue of shares	-	872.92
(iii) Premium on issue of shares	6,735.60	-
(iv) Share issue expenses*	(309.28)	-
(v) Utilization for bonus shares	-	(499.29)
(vi) As at end of the year	6,892.04	465.72
(c) Retained earnings		
(i) As at beginning of the year	980.62	661.64
(ii) Profit for the year	611.96	317.27
(iii) Measurement of defined benefit liabilities	(6.57)	1.71
(iv) As at end of the year	1,586.01	980.62
(d) Share based payments reserve		
(i) As at beginning of the year	-	-
(ii) Share based payment expenses	48.05	-
(iii) Options exercised	-	-
(iv) As at end of the year	48.05	-
(e) Equity instruments through OCI (refer note 6)		
(i) As at beginning of the year	-	-
(ii) Fair valuation changes on financial instruments	(233.10)	-
(iii) As at end of the year	(233.10)	-
Total	8,296.72	1,450.06

*Includes auditor remuneration in relation to IPO of ₹ 16 (incurred during the year - ₹ 5.5)

Nature and Purpose :

a) General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The

reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings

- (i) Retained earnings comprises of prior years' undistributed earnings after taxes along with current year profit.
- (ii) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are presented within retained earnings.

(d) Share based payments reserve

The Share based payments reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to Equity upon exercise of stock options by employees.

(e) Equity Instruments through OCI

Represents the cumulative gains and losses arising on fair valuation of the equity instruments measured at fair value through OCI.

(f) The Utilisation of the net IPO proceeds (net of share issue expenses) is summarised below:

Particulars	Objects of the issue as per prospectus	Utilisation upto March 31, 2024	Unutilised amount as at March 31, 2024
Funding incremental working capital requirements of the Company	2,910.90	798.80	2,112.10
Funding capital expenditure of the Company	435.72	17.92	417.80
Repayment/prepayment, in part or full, of certain borrowings of the Company	1,609.11	1,608.54	0.57
Achieving inorganic growth through acquisitions	700.00	-	700.00
General corporate purposes	933.90	-	933.90
Total	6,589.63	2,425.26	4,164.37

14. Borrowings (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured		
Term loan from related party (refer note 30)	746.72	995.63
Total	746.72	995.63
Current		
Unsecured		
Term Loan from related party - Current maturities of non-current borrowings	248.91	-

Particulars	As at March 31, 2024	As at March 31, 2023
Working capital loan from related party (refer note 30)	340.00	540.00
Secured		
Working capital loans from banks	-	1,609.11
Total	588.91	2,149.11
Total borrowings	1,335.63	3,144.74

Details of the borrowings along with their terms and conditions

a. Term loan from related party

The Company has obtained term loan of ₹ 1,000.00 from Cyient Limited for capital expenditure purpose, which is availed in various tranches starting from February 2019 repayable in 16 quarterly instalments starting from the June 2023 for each tranche. During the previous year, the Company has renewed the term loan agreement with Cyient Limited. As per the renewal agreement, loan will be repaid in 16 quarterly instalments starting from June 2024 and accrued interest on term loan as at March 31, 2024 will be repaid proportionately along with the repayment of principal amount. Outstanding balance of the term loan as at March 31, 2024 was ₹ 995.63 (ROI - 7.80% p.a), March 31, 2023 was ₹ 995.63 (ROI - 6.00% p.a). There is no default in the repayment of principal loan and interest amount.

b. Working capital loan from related party

The Company has availed working capital loan repayable on demand from Cyient Limited whose outstanding balance as at March 31, 2024 is ₹ 340.00 (ROI - 7.80% p.a.), March 31, 2023 is ₹ 540.00 (ROI - 6.00% p.a). This loan is repayable on demand.

c. Working capital loans from banks

i. The Company had availed working capital loans (repayable on demand) from various banks:

Particulars	As at March 31, 2024	As at March 31, 2023
HDFC Bank		
Loan outstanding	-	324.15
Range of interest	-	7.58% to 9.00%
State Bank of India		
Loan outstanding	-	580.86
Range of interest	-	8.45% to 8.65%
Federal Bank		
Loan outstanding	-	525.00
Range of interest	-	7.85%
Axis Bank		
Loan outstanding	-	108.99
Range of interest	-	7.6% to 8.55%

ii. The Company had availed Packing credit facility from various banks:

Particulars	As at March 31, 2024	As at March 31, 2023
HDFC Bank		
Loan outstanding	-	70.11
Range of interest	-	6.08%

Note: The working capital loans from banks have been repaid out of the IPO proceeds during the year

Security terms for working capital loans from banks:

- i. First pari-passu charge on present and future current assets including inventory and trade receivables of the Company
- ii. Second pari-passu charge on all existing and future movable fixed assets of the Company.
- iii. Corporate guarantee from Cyient Limited.
- iv. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

15. Other Financial Liabilities (at Amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Interest accrued but not due on borrowings*	180.60	166.32
Total	180.60	166.32
Current		
Capital creditors	60.70	14.64
Interest accrued but not due on borrowings*	155.96	61.85
Total	216.66	76.49

* includes amount payable to related parties (refer note 14 & 30 for details)

16. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 29)	79.93	74.45
Compensated absences	29.88	23.81
Total provisions	109.81	98.26

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current:		
Gratuity	79.93	74.45
Compensated absences	26.39	20.82
Total	106.32	95.27
Current:		
Gratuity	-	-
Compensated absences	3.49	2.99
Total	3.49	2.99

17. Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(at amortised cost)		
(i) total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 34)	76.80	69.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,123.46	2,783.45
Total	3,200.26	2,852.62
Trade Payables	2,362.66	2,208.35
Trade Payables to related parties (refer note 30)	837.60	644.27
Total	3,200.26	2,852.62

Trade payables are non-interest bearing and are normally settled on 60-day terms

Ageing for trade payable	As at March 31, 2024						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Dues to MSME	-	26.01	50.79	-	-	-	76.80
Dues to other than MSME	449.99	797.01	1,200.67	263.18	412.61	-	3,123.46
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
Balance at the end of the year	449.99	823.02	1,251.46	263.18	412.61	-	3,200.26

Ageing for trade payable	As at March 31, 2023						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Dues to MSME	-	24.05	45.12	-	-	-	69.17
Dues to other than MSME	613.08	723.77	1,012.64	433.96	-	-	2,783.45
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
Balance at the end of the year	613.08	747.82	1,057.76	433.96	-	-	2,852.62

18. Other Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Advance from customers (refer note 20 & 30)	978.55	2,022.84
Unearned revenues	278.37	254.15
Statutory remittances	23.94	15.37
Total	1,280.86	2,292.36

19. Income Taxes

19.1 Tax Expense

A. Income tax expense/(credit) recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of current period	212.09	129.71
	212.09	129.71
Deferred tax expense/(benefit):		
In respect of the current period	(2.66)	(15.38)
	(2.66)	(15.38)
Total	209.43	114.33

B. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Tax effect on remeasurements of the net defined benefit liability	2.21	(0.57)
Total	2.21	(0.57)

C. Reconciliation of effective tax rate

The following is the reconciliation of the company's effective tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	821.39	431.60
Enacted rate in India	25.17%	25.17%
Computed expected tax expense	206.74	108.63
Tax effect of adjustments to reconcile expected tax expense:		
Expenses that are not deductible in determining taxable profit	2.69	5.70
Income tax expense	209.43	114.33

19.2. Deferred tax assets and liabilities

A. The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Allowance for expected credit loss	31.82	31.48
Section 43B disallowances	34.76	28.64
Lease liabilities (refer note 3B)	147.37	104.64
Others	-	3.90
Total (A)	213.96	168.66
Deferred tax liabilities		
Property, plant and equipment and Intangible assets	(30.84)	(27.97)
Right of use assets (refer note 3B)	(124.45)	(86.90)
Total (B)	(155.29)	(114.87)
Deferred tax asset, net (A+B)	58.66	53.79

Deferred tax assets have been recognised considering the utilisation plan against future taxable profits which are supported by existing and future sale orders.

B. Movement in deferred tax assets and liabilities

Particulars	Property, plant and equipment and Intangible assets	Provision for employee benefits	Right of use assets (refer note 3B)	Provision for doubtful debts	Lease Liabilities (refer note 3B)	Others	Total
Balance as at April 1, 2022	(28.63)	22.80	(96.36)	31.21	109.96	-	38.98
Recognised in P&L during the year	0.66	6.41	9.46	0.27	(5.32)	3.90	15.37
Recognised in OCI during the year	-	(0.57)	-	-	-	-	(0.57)
Balance as at March 31, 2023	(27.97)	28.64	(86.90)	31.48	104.64	3.90	53.79
Recognised in P&L during the year	(2.87)	3.91	(37.55)	0.34	42.73	(3.90)	2.66
Recognised in OCI during the year	-	2.21	-	-	-	-	2.21
Balance as at March 31, 2024	(30.84)	34.76	(124.45)	31.82	147.37	0.00	58.66

Deferred tax asset has not been recognized on loss on fair valuation of investments of ₹ 233.10 as at March 31, 2024 as it is not probable that future taxable profit will be available against which such capital loss can be utilized in the foreseeable future.

19.3. Income tax assets and liabilities

The following is the analysis of income tax assets/(liabilities) presented in the Company balance sheet:	As at March 31, 2024	As at March 31, 2023
Income tax assets, net		
Advances income taxes	-	5.03
Income tax liabilities, net		
Income tax payable	33.60	21.90

20. Revenue from Operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods	11,644.14	8,176.09
Rendering of services	274.57	144.24
Total	11,918.71	8,320.33

The Company presents revenues net of indirect taxes in the statement of profit and loss.

1. Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by contract type and geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of goods or service		
Sale of printed circuit boards and related products	11,644.14	8,176.09
Job work charges and other services	274.57	144.24
Total	11,918.71	8,320.33
Based on geographical location of customers		
Within India	6,345.13	3,352.30
Outside India	5,573.58	4,968.03
Total	11,918.71	8,320.33
Timing of revenue recognition		
Goods transferred at a point in time	11,644.14	8,176.09
Services transferred over time	274.57	144.24
Total	11,918.71	8,320.33

2. Trade receivables and contract balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	2,258.69	1,617.48
Unearned revenue (Contract liabilities)	278.37	254.15
Advance from customers (Contract liabilities)	978.55	2,022.84

The Company classifies the right to consideration in exchange for deliverables as trade receivable. A trade receivable is a right to consideration that is unconditional upon passage of time.

Contract Liabilities

Advance from customers represents the amounts received from customers, which are adjusted against the future supplies against each customer order upon delivery. Unearned revenues represents invoicing in excess of revenue.

Amount of revenue recognised from:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unearned revenue (Contract liabilities)	202.36	-
Advance from customers (Contract liabilities)	1,130.02	782.02

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less and there were no contract exceeding a period of one year.

21. Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on financial assets carried at amortised cost		
Deposits with Banks	274.94	30.01
	274.94	30.01
Other non-operating income		
Export incentives	-	3.63
Profit on sale of property, plant and equipment	-	(5.56)
Foreign exchange gain (net)	(36.16)	27.62
Miscellaneous income	39.48	7.41
	3.32	33.10
Total	278.26	63.11

22. Cost of Materials Consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	3,896.08	2,219.90
Add: Purchases	9,572.75	8,017.71
Less: Closing stock	(3,981.45)	(3,896.08)
Cost of materials consumed	9,487.38	6,341.53

23. Changes in Inventories of Finished Goods and Work-in-progress

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock:		
Finished goods	99.35	153.99
Work-in-progress	235.97	291.94
	335.32	445.93
Closing Stock:		
Finished goods	226.93	99.35
Work-in-progress	396.17	235.97
	623.10	335.32
Net Decrease / (Increase):		
Finished goods	(127.58)	54.64
Work-in-progress	(160.20)	55.97
Total	(287.78)	110.61

24. Employee Benefits Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages, including bonus	1,022.31	568.73
Contribution to provident and other funds	44.05	38.53
Share based payment expenses (refer note 12)	54.49	5.42
Staff welfare expenses	52.95	34.26
Total	1,173.80	646.94

25. Finance Costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense -		
Interest on borrowings from banks	98.86	115.72
Interest on borrowings from related parties (refer note 30)	122.49	92.14
Interest on others	65.12	49.28
Interest on lease liabilities (refer note 3B)	43.32	39.45
Other borrowing costs	14.09	18.57
Total	343.87	315.16

26. Depreciation and Amortisation Expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 3A)	163.90	146.79
Depreciation of right-of-use assets (refer note 3B)	42.77	37.58
Amortisation of intangible assets (refer note 5)	16.45	9.78
Total	223.12	194.15

27. Other Expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rates and taxes	15.75	27.24
Insurance	31.25	24.88
Stores and spares consumed	60.58	46.81
Freight outwards	64.60	55.88
Travelling and conveyance	30.09	3.68
Communication	5.14	3.39
Printing and stationery	3.61	1.49
Power and fuel	49.18	37.97
Marketing expenses	8.93	17.81
Repairs and maintenance		

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Machinery	10.12	3.96
- Others	45.07	41.45
Legal and professional charges	27.79	11.03
Expenditure for Corporate Social Responsibility (refer note (i) below)	7.28	4.47
Expected credit loss allowance (net) (refer note 10)	1.34	13.89
Auditors' remuneration*		
- For statutory audit	3.68	1.60
- For reimbursement of expenses	0.09	-
Training and development	2.87	1.57
Miscellaneous expenses	67.82	46.33
Total	435.19	343.45

*refer note 13 for fee paid towards the IPO related services

Notes:

i. Expenditure for Corporate Social Responsibility:

The Company contributes towards Corporate Social Responsibility (CSR) activities through Cyient Foundation and Cyient Urban Micro Skill Centre Foundation. The Company has formed CSR committee as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law. The areas for CSR activities are promoting education, adoption of schools, facilitating skill development, medical and other social projects. Expenses incurred on CSR activities through Cyient Foundation and contributions towards other charitable institutions are charged to the statement of profit and loss under 'Other Expenses': April 2023 to March 2024 - ₹ 7.28, April 2022 to March 2023 - ₹ 4.47

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross amount required to be spent by the Company	7.28	4.47
Amount approved by the board to be spent during the year	7.28	4.47
Actual amount spent		
1. Construction / acquisition of any asset	-	-
2. On purposes other than (1) above (in cash)	7.28	4.47
Shortfall/ (excess)	-	-

Nature of CSR Expenditure:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Promotion of education	7.28	4.47

28. Contingent Liabilities and Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Contingent liabilities:		
Claims against the Company not acknowledged as debt:	-	-
	-	-
(B) Commitments:		
(i) Contracts remaining to be executed on capital account and not provided for (net of capital advances)	154.00	51.71
Total	154.00	51.71

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of these matters.

29. Employee Benefits

The employee benefit schemes are as under:

1 Defined contribution plans

i. Provident fund

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred.

Total expense recognised during the year ended as follows:

- i. Year ended March 2024 : ₹ 28.64
- ii. Year ended March 2023 : ₹ 19.96

2 Defined Benefit Plans

i. Gratuity

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss in the period determined. The gratuity plan is administered by the Company's own trust which has subscribed to the "Group Gratuity Scheme" of Life Insurance Corporation of India.

The present value of the defined benefit obligation (DBO), and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (%)	7.18%	7.43%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The following table sets out the defined benefit costs as per actuarial valuation for the Company.

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	10.23	14.76
Net interest cost		
Interest expense on defined benefit obligation	7.28	5.88
Interest income on plan assets	(2.10)	(2.06)
Defined benefit cost included in P&L	15.41	18.58

Remeasurement effects recognised in Other Comprehensive Income	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (Gain) / Loss due to demographic assumptions change in defined benefit obligation	-	-
Actuarial (Gain) / Loss due to Financial assumptions change in defined benefit obligation	2.39	0.24
Actuarial (Gain) / Loss due to Experience on defined benefit obligation	5.98	(2.23)
Return on plan assets (Greater)/Less than discount rate	0.41	(0.29)
Components of defined benefit costs recognised in Other Comprehensive Income	8.78	(2.28)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of funded defined benefit obligation	125.54	102.77
Fair value of plan assets	(45.61)	(28.32)
Net liability arising from defined benefit obligation	79.93	74.45

Movement in the present value of the defined benefit obligation	For the year ended March 31, 2024	For the year ended March 31, 2023
Projected benefit obligation at the beginning of the year	102.77	79.85
Current service cost	10.23	14.76
Interest cost	7.28	5.88
Acquisition	-	7.23
Actuarial loss/(gain)	8.37	(1.99)
Benefits paid	(3.11)	(2.96)
Defined benefit obligation at the end of the year	125.54	102.77

Change in Plan assets	For the year ended March 31, 2024	For the year ended March 31, 2023
Plan assets at the beginning of the year	28.32	28.93
Return on plan assets	2.10	2.06
Employer contribution	18.71	-
Benefits paid	(3.11)	(2.96)
Asset (loss)/Gain	(0.41)	0.29
Plan Assets at the end of the year	45.61	28.32

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

Composition of plan assets

Plan assets comprise of 100% insurer managed funds. Fund is managed by Life Insurance Corporation of India as per Insurance Regulatory and Development Authority of India (IRDA) guidelines, category wise composition of the plan assets is not available.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7.26)	8.27	(7.41)	8.46
Future salary growth (1% movement)	7.65	(6.94)	7.92	(7.15)

Maturity profile of defined benefit obligation (discounted cash flows):

Particulars	As at March 31, 2024	As at March 31, 2023
Within 1 year	13.28	9.55
1-2 year	8.79	9.23
2-3 year	11.02	7.76
3-4 year	12.51	9.37
4-5 year	10.07	10.54
5-10 year	55.60	45.86
Payouts above 10 years	135.88	119.36

The expected contribution to the plan with in 1 year is ₹13.28

ii. Assumptions for compensated absences:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (%)	7.18%	7.43%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
In Service Encashment (%)	5.00%	5.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.38 years (March 31, 2023: 9.48 years).

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at year-end as per Company's policy. The value of such leave balance eligible for carry forward, is determined by an independent actuarial valuation and charged to Statement of Profit and Loss in the period determined.

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

30. Related Party Transactions

(i) The list of related parties of the Company is given below

Name of the related party	Nature of relationship
Cyient Limited	Ultimate holding company
Cyient DLM Inc., USA	Wholly owned subsidiary
Cyient Inc.	Fellow subsidiary
Cyient GmbH	Fellow subsidiary
Cyient Schweiz GmbH	Fellow subsidiary
Cyient Singapore Pte Limited	Fellow subsidiary
Cyient Israel India Limited	Fellow subsidiary
Cyient Europe Limited	Fellow subsidiary
Key Managerial Personnel:	
B.V.R. Mohan Reddy (w.e.f December 27, 2022)	Non-Executive Director, Non-Independent Director
Ganesh Venkat Krishna Bodanapu	Chairman, Non-Executive Director, Non Independent Director
Rajendra Velagapudi	Managing Director
Jehangir Ardeshir (w.e.f December 13, 2022)	Independent Director
Vanitha Datla (w.e.f December 13, 2022)	Independent Director
Pillutla Madan Mohan (w.e.f December 27, 2022)	Independent Director
Ajay Kumar (w.e.f November 15, 2023)	Independent Director
Muralidhar Yadama (w.e.f June 21, 2023)	Independent Director
Ajay Aggarwal (resigned w.e.f December 13, 2022)	Director
Anthony Montalbano (w.e.f January 02, 2023)	Chief Executive officer (CEO)
Shrinivas Kulkarni (w.e.f January 02, 2023)	Chief Financial officer (CFO)
Suchitra R C (resigned w.e.f October 10, 2022)	Additional Director & Vice President Operations
Parvati Ramachandra (resigned w.e.f July 21, 2023)	Company Secretary
Krithika S (w.e.f July 21, 2023)	Company Secretary

(ii) Transactions during the year

Nature of the transaction	Party name	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers	Cyient Limited	4.22	1.16
- Sale of Goods	Cyient Inc.	5.45	11.77
Marketing expenses	Cyient Israel India Limited	-	17.52
Services availed	Cyient Limited	16.21	-
Rent Payable	Cyient Limited	-	0.05
	Cyient Limited	6.94	84.91
	Cyient GmbH	10.11	8.14
	Cyient Schweiz GmbH	-	16.56
Reimbursement of expenses (to)/ from, net	Cyient Europe Ltd	11.25	-
	Cyient Singapore Pte Limited	9.58	12.95
	Cyient Inc.	105.76	128.35
Share based payment expenses	Cyient Limited	6.44	5.42
Working capital loan received	Cyient Limited	210.00	210.00
Working capital loan paid	Cyient Limited	410.00	210.00
Corporate guarantee received	Cyient Limited	-	750.00
Purchase of investment	Cyient Limited	-	892.00
Right issue of shares (Note 12)	Cyient Limited	-	888.62
Interest on loan from ultimate holding company	Cyient Limited	122.49	92.14

Compensation to Key Managerial Personnel (Note 1)

Nature of the transaction	Party name	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term benefits	Key Managerial	125.80	60.77
Share based payment expenses	Personnel#1 & 2	31.17	5.17
Commission and other benefits	Non-executive and Non-independent/ independent directors	5.00	-

#1 Executive officers include Rajendra Velagapudi, Shrinivas Kulkarni, Anthony Montalbano, Suchitra R C, Parvati Ramachandra and Krithika S.

#2 The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

(iii) Balances at the year-end

Nature of the balances	Party name	As at March 31, 2024	As at March 31, 2023	
Trade Receivables	Cyient Limited	54.75	29.96	
	Cyient Inc.	38.83	16.37	
	Cyient GmbH	0.42	0.38	
Trade Payables	Cyient Limited	418.91	363.55	
	Cyient GmbH	21.65	11.51	
	Cyient Schweiz GmbH	16.56	16.56	
	Cyient Singapore Pte Limited	29.35	19.77	
	Cyient Israel India Limited	28.77	35.13	
	Cyient Inc.	311.11	197.74	
	Cyient Europe Limited	11.25	-	
	Advance from customer	Cyient Limited	7.20	-
	Corporate guarantee outstanding	Cyient Limited	4,470.00	4,470.00
Terms Loans Outstanding	Cyient Limited	995.63	995.63	
Working capital Loan outstanding	Cyient Limited	340.00	540.00	
Interest on loans outstanding	Cyient Limited	336.56	228.17	
Short-term benefits payable	Key Managerial Personnel	15.76	12.31	
Commission and other benefits	Non-executive and Non-independent/ independent directors	5.00	-	

31. Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) for the year	611.96	317.27
Basic EPS:		
Number of equity shares outstanding at the year end (refer note 12)	7,93,06,124	5,28,66,000
(A) Weighted average number of equity shares at the year end	7,27,05,065	22,74,589
(B) Impact on account of Bonus Issue (refer note 12)	-	3,86,68,014
Weighted average number of equity shares after Bonus Issue (A+B)	7,27,05,065	4,09,42,603
Basic Earnings per share (₹)	8.42	7.75
Diluted EPS:		
Effect of dilutive issue of stock options	2,21,218	-
Weighted average number of equity shares at the year end	7,29,26,282	-
Diluted Earnings per share (₹)	8.39	7.75

*There were no dilutive instruments outstanding during the previous year.

32. Financial Instruments

32.1 Capital management

The Company manages its capital to ensure that it maximises the return to stakeholders through the optimisation of the capital structure. The Company monitors the return on capital. In order to optimise the Company's position with regards to its borrowings, interest income and interest expense, treasury team performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

32.1.1 Gearing ratio

The gearing ratio at end of the reporting period is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings*	1,335.63	3,144.74
Less: Cash and bank balances***	(1,147.52)	(1,676.01)
Net debt	188.11	1,468.73
Total equity**	9,089.78	1,978.72
Net debt to equity	2%	74%

* Includes current, non-current and current maturities of non-current borrowings. (refer note 14)

** Total equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. (refer note 12 and 13)

*** For the year ended March 31, 2024, the cash and bank balances does not include money received from issue of shares through Initial Public Offering of ₹ 4,218.35

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 & March 31, 2023.

32.1.2 : Financial Instruments by category

Particulars	Carrying value as at	
	As at March 31, 2024	As at March 31, 2023
Financial assets:		
Amortised cost		
Trade receivables	2,258.69	1,617.48
Cash and cash equivalents	416.89	773.41
Other bank balances	4,948.98	902.60
Other financial assets	302.16	89.63
Fair value through other comprehensive income		

Particulars	Carrying value as at	
	As at March 31, 2024	As at March 31, 2023
Investments in other equity instruments (unquoted)	662.12	895.22
Total financial assets	8,588.84	4,278.34
Financial liabilities:		
Amortised cost		
Borrowings*	1,335.63	3,144.74
Trade payables	3,200.26	2,852.62
Lease liabilities	585.56	415.77
Other financial liabilities	397.26	242.81
Total financial liabilities	5,518.71	6,655.94

* Includes current, non-current and current maturities of non-current borrowings from banks (refer note 14)

The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, other financial assets, Borrowings, trade payables, and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost. Carrying value of unquoted instruments represents fair value which is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Investments in other equity instruments (unquoted) are measured at fair value through initial designation in accordance with Ind-AS 109.

32.1.3 Fair value hierarchy

Valuation technique and key inputs

Level 1 - Quoted prices (unadjusted) in an active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Quantitative disclosures of fair value measurement hierarchy for financial instruments

Fair value measurement at the end of year	As at March 31, 2024	As at March 31, 2023
Level 3		
Investments in other equity instruments (unquoted)	662.12	895.22

The fair values of the unquoted equity instruments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, and probabilities of the various estimates within the range used in management's estimate of fair value for these unquoted equity investments.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

32.1.4 Fair value measurements using significant unobservable inputs (level 3)

Valuation inputs and relationships to fair value:

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Investments in other equity instruments (unquoted)		Significant unobservable inputs		Sensitivity of the inputs to fair value
As at	Fair value			
March 31, 2024	662.12	Earnings growth rate	Earnings growth factor for unquoted equity shares are estimated based on the market information of similar type of companies and also considering the economic environment impact.	<p>March 31, 2024- 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹50.88 (45.1)</p> <p>March 31, 2023- 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹58.94 (52.13)</p>
March 31, 2023	895.22	Discount rate	Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and risk specific to that asset.	<p>March 31, 2024- 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹49.43 Mn (55.71 Mn)</p> <p>March 31, 2023- 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹67.86 Mn (77.15 Mn)</p>

Fair value measurements using significant unobservable inputs (level 3)

The following table presents changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

Particulars	Investments in Equity instruments of other entities (Unquoted)
As at April 1, 2022	3.22
Acquisitions	892.00
Change in fair valuation	-
As at March 31, 2023	895.22
Change in fair valuation	(233.10)
As at March 31, 2024	662.12

32.2 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk and interest rate risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The liquidity risk is measured by the Company's inability to meet its financial obligations as they become due.

Foreign exchange risk

The Company operates internationally and a major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Company monitors and manages its financial risks by analysing its foreign exchange exposures.

Sensitivity analysis:

Every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 18.17 for the year ended March 31, 2024 and ₹ 18.82 for the year ended March 31, 2023

Interest Risk

There is no material interest risk relating to the Company's financial liabilities which are detailed in note 14.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of total receivables from top five customers and others:

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from top 5 customers	71%	65%
Others	29%	35%

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The Company had unutilized credit limits from banks as at March 31, 2024 of ₹ 2,860.85 (₹ 579 - as at March 31, 2023)

The Company had working capital of ₹ 7,864.87 (₹ 948.23 - as at March 31, 2023) and cash and bank balance of ₹ 5,365.87 (₹ 1,676.01 - as at March 31, 2023)

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2024:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade payables	3,200.26	-	-	3,200.26
Other financial liabilities	216.66	61.16	119.44	397.26
Total	3,416.92	61.16	119.44	3,597.52

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2023:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade and other payables	2,852.62	-	-	2,852.62
Other financial liabilities	76.49	41.58	124.74	242.81
Total	2,929.11	41.58	124.74	3,095.43

The Company's obligation towards payment of borrowings has been included in note 14.

The Company's obligation towards payment of lease liabilities has been included in note 3B.

33. Segment Information

The Company's operations fall within a single operating segment "Electronic Manufacturing Solutions" which is considered as the primary reportable business segment.

The reporting of geographical segments is based on the location of customers i.e., Domestic (Within India) and Overseas (Outside India).

Geographical segment information

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	6,345.13	5,573.58	11,918.71	3,352.30	4,968.03	8,320.33
Non-current assets*	1,999.64	-	1,999.64	1,661.29	-	1,661.29

*Geographical non-current assets (property, plant and equipment, right of use assets, capital work-in-progress, goodwill, intangible assets and other non-current assets) are allocated based on location of assets.

Information about major customers

Particulars	For Year ended			
	March 31, 2024	Percentage	March 31, 2023	Percentage
Revenue from top customers (*)	9,475.69	79.50%	3,451.47	41.48%
Others	2,443.02	20.50%	4,868.86	58.52%
Total Revenue	11,918.71	100.00%	8,320.33	100.00%

*Includes revenue from customers individually amounting to 10% or more of the Company's revenues.

34. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	76.02	69.17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.78	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.78	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.78	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0.78	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

35. Ratio Analysis and its Elements

Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reasons
Current ratio	Current Assets	Current Liabilities	2.46	1.13	118.04%	Note 1(a)
Debt- Equity Ratio	Total Debt*	Shareholder's Equity	0.21	1.80	(88.25)%	Note 1(b)
Debt Service Coverage ratio	Earning for Debt Service **	Debt service = Interest & Lease Payments + Principal Repayments	0.20	0.21	(7.45)%	NA
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.11	0.23	(52.08)%	Note 1(b)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	2.07	1.86	11.37%	NA
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.15	5.30	16.07%	NA
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.16	3.36	(5.76)%	NA

Ratios	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reasons
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.52	8.77	(82.73)%	Note 1(a)
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.05	0.04	34.65%	Note 1(c)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt*	0.11	0.13	(21.50)%	NA
Return on Investment#	Interest (Finance Income)	Investment	-	-	-	

The Company does not have any income generated on investments

*Debt represents Borrowings and lease liabilities

***Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like expected credit loss (net)”

Note 1: Improvement in ratio is due to:

- Increase is due to money received from issue of shares through Initial Public Offering and repayment of current borrowings during the year.
- Decrease is due to Issue of shares through Initial Public Offering and repayment of current borrowings during the year.
- Increase is due to Increase in other income during the year.

36. Other Statutory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than Issue proceeds raised through Right's Issue aggregating to ₹888 Mn from Cyient Limited, Holding Company for acquiring Investment in STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited) (refer note 6) during the year ended March 2023.
- (viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- 37.** The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once it is effective.
- 38.** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in respect of accounting software, audit trail feature is not enabled for direct changes to data when using certain access rights. Further, audit trail feature has not been tampered with in respect of other accounting software.

Accompanying notes form an integral part of the financial statements

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

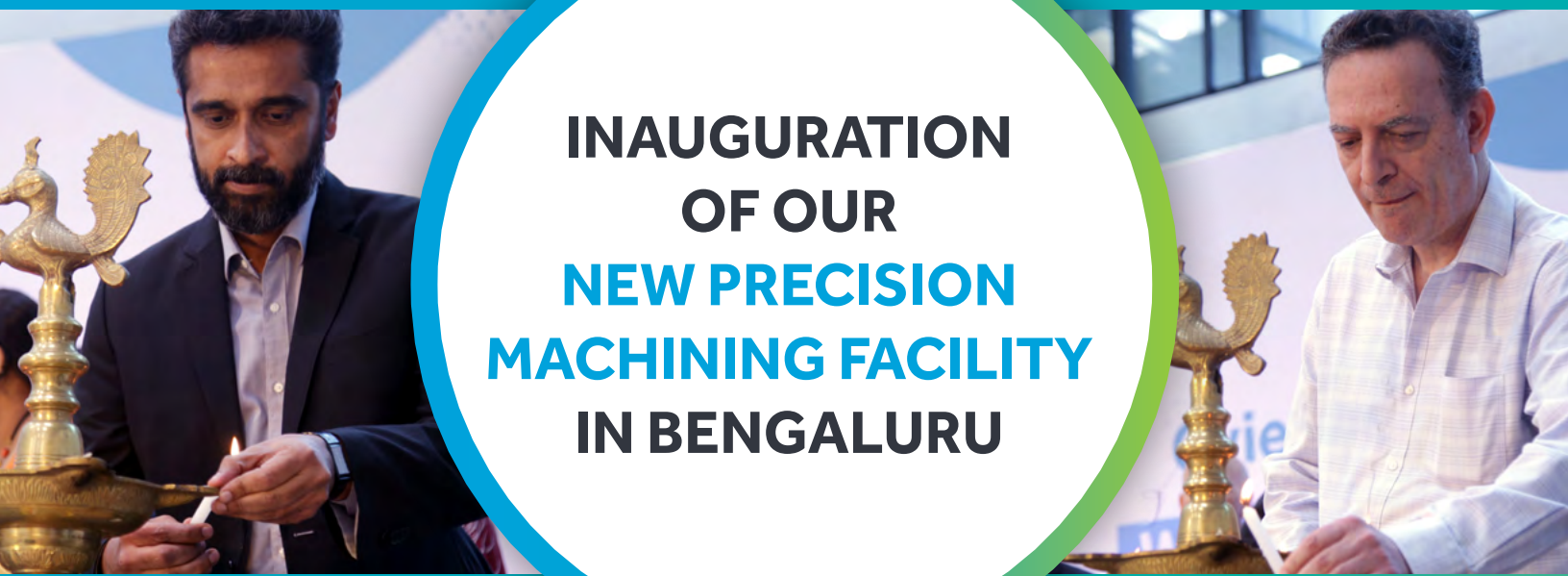
Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024



**INAUGURATION
OF OUR
NEW PRECISION
MACHINING FACILITY
IN BENGALURU**



INDEPENDENT AUDITOR'S REPORT

To the Members of Cyient DLM Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cyient DLM Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group

in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the Financial Year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matters	How our audit addressed the Key Audit Matter
Revenue Recognition (as described in Note 20 of the Consolidated Financial Statements)	
<p>Revenue from contracts with customers is recognised on the basis of approved contracts when control of the goods or services is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.</p> <p>The Company has high sales volume at period end and has varied types of sales arrangements with customers including delivery specifications and incoterms etc. which may affect the timing of transfer of risk & rewards and may lead to recognition of revenue in incorrect period.</p> <p>We have identified recognition of revenue as a key audit matter considering high sales volume at period end and there is a risk that revenue may not be recognised in the correct period or that revenue is overstated.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We evaluated the Company's accounting policies pertaining to revenue recognition and assessed compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • Tested the design and implementation of key internal financial controls with respect to revenue recognition and tested the operating effectiveness of such controls. • Performed substantive testing on a sample basis of revenue transactions recorded during the year by checking the underlying documents such as invoices, sales contracts, and shipping documents to test evidence for satisfaction of the criteria for recognition of revenue during the year. • Test-checked significant manual journals posted to revenue to identify any unusual items and sought explanations from Management. • Test-checked sales transactions near to year-end, post year-end, and credit notes issued post year-end to determine whether the revenue recognition during the year was appropriate. • We assessed the adequacy of relevant disclosures made within the consolidated financial statements.
Inventory-Obsolescence (as described in Note 9 of the financial statements)	
<p>The Company holds an inventory balance of ₹4,642.19 million as at March 31, 2024.</p> <p>Inventory obsolescence allowance is determined using policies/ methodologies that the Company deems appropriate to the business. Significant judgement is exercised by the management in identifying the slow-moving and obsolete inventories and in assessing whether provision for obsolescence for slow-moving, excess, or obsolete inventory items should be recognized considering the production plan, forecast inventory usage, committed and expected orders, alternative usage, etc. Considering that the aforesaid assessment process is complex and involves significant estimates and judgements and the balance of inventory is material, we have identified this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding of how the management identifies the slow-moving and obsolete inventories and assesses the amount of allowance for inventories. • We assessed and tested the design and operating effectiveness of the Company's internal financial controls over the allowance for inventory obsolescence. • We observed the inventory count performed by management and assessed the physical condition of the inventories on a sample basis. • Evaluated the inventories against future usage based on the expected orders on hand and other contractual terms agreed with customers and tested the same on a sample basis. • We further tested the ageing of the inventories and the computation of the obsolescence level on a sample basis. • We have tested a sample of inventory items for significant components to assess the cost and tested the basis of determination of net realizable/value of inventory, on a sample basis. • We assessed the Company's disclosures concerning this in Note 2.4 on significant accounting estimates and judgements and Note 9 on inventories to the consolidated financial statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the Financial Year ended March 31, 2024, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group's companies incorporated in India is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024, has been paid/provided by the Holding Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3) (b) and paragraph 2(i)(vi) below on reporting under Rule 11(g).
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its consolidated financial position.
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024.

- iv.
- a) The Management of the Holding Company have represented that, to the best of its knowledge and belief, no funds have been advanced or loaned, or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management of the Holding Company have represented to us that, to the best of its knowledge and belief other than as disclosed the note 36 to the Consolidated Financial Statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Holding Company.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, in respect of accounting software, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 38 to the financial statements. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of the accounting software.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Shankar Srinivasan
Partner
Membership No.: 213271
UDIN: 24213271BKELBX9247

Place: Hyderabad
Date: 23.04.2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Cyient DLM Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

3(xxi)	There are no subsidiaries which are companies incorporated in India, hence reporting under this clause is not applicable.
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For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

Per Shankar Srinivasan
Partner
Membership Number: 213271
UDIN: 24213271BKELBX9247

Place: Hyderabad
Date: 23.04.2024

Annexure '2' referred to in our report of even date on the Consolidated Financial Statements of Cyient DLM Limited ("the Holding Company")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of March 31, 2024, in conjunction with our audit of the Consolidated Financial Statements of the holding company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements based

on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

Per Shankar Srinivasan

Partner

Membership Number: 213271

UDIN: 24213271BKELBX9247

Place: Hyderabad

Date: 23.04.2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3A	1,374.45	1,217.50
Capital work-in-progress	3C	9.51	13.34
Goodwill	4	30.30	30.30
Other intangible assets	5	22.45	16.46
Right of use assets	3B	494.14	345.28
Financial assets			
(a) Investments	6	662.12	895.22
(b) Other financial assets	7	53.23	34.97
Deferred tax assets (net)	19.2	58.66	53.79
Income tax assets	19.3	-	5.03
Other non-current assets	8	68.79	38.41
Total non-current assets		2,773.65	2,650.30
Current assets			
Inventories	9	4,642.19	4,250.83
Financial assets			
(a) Trade receivables	10	2,258.69	1,617.48
(b) Cash and cash equivalents	11A	416.89	773.41
(c) Other bank balances	11B	4,948.98	902.60
(d) Other financial assets	7	248.93	54.66
Other current assets	8	743.43	797.90
Total current assets		13,259.11	8,396.88
Total assets		16,032.76	11,047.18
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	793.06	528.66
Other equity	13	8,296.72	1,450.06
Total equity		9,089.78	1,978.72

Particulars	Note	As at March 31, 2024	As at March 31, 2023
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	14	746.72	995.63
(b) Lease liabilities	3B	515.10	362.56
(c) Other financial liabilities	15	180.60	166.32
Provisions	16	106.32	95.27
Total non-current liabilities		1,548.74	1,619.78
Current liabilities			
Financial liabilities			
(a) Borrowings	14	588.91	2,149.11
(b) Lease liabilities	3B	70.46	53.21
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	76.80	69.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17	3,123.46	2,783.45
(d) Other financial liabilities	15	216.66	76.49
Other current liabilities	18	1,280.86	2,292.36
Provisions	16	3.49	2.99
Income tax liabilities (net)	19.3	33.60	21.90
Total current liabilities		5,394.24	7,448.68
Total liabilities		6,942.98	9,068.46
Total equity and liabilities		16,032.76	11,047.18
Corporate information and material accounting policies	1 & 2		

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from operations	20	11,918.71	8,320.33
Other income	21	278.26	63.11
Total income		12,196.97	8,383.44
EXPENSES			
Cost of materials consumed	22	9,487.38	6,341.53
Changes in inventories of finished goods and work-in-progress	23	(287.78)	110.61
Employee benefits expense	24	1,173.80	646.94
Finance costs	25	343.87	315.16
Depreciation and amortisation expense	26	223.12	194.15
Other expenses	27	435.19	343.45
Total expenses		11,375.58	7,951.84
Profit before tax		821.39	431.60
Tax expense / (credit)			
(a) Current tax	19.1 (A)	212.09	129.71
(b) Deferred tax	19.1 (A)	(2.66)	(15.38)
Total tax expense / (credit)		209.43	114.33
Profit for the year		611.96	317.27
Other comprehensive income (OCI)			
(a) Items that will not be reclassified subsequently to statement of profit and loss:			
(i) Remeasurement gains/(losses) of net defined benefit liability	29	(8.78)	2.28
(ii) Fair valuation changes on financial instruments measured at FVTOCI		(233.10)	-
(iii) Income tax relating to items that will not be reclassified to profit or loss	19.1 (B)	2.21	(0.57)
Total other comprehensive income/(loss) for the year, net of tax		(239.67)	1.71

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Total comprehensive income for the year, net of tax		372.29	318.98
Earnings per equity share (face value of ₹ 10 each)	31		
Basic (₹)		8.42	7.75
Diluted (₹)		8.39	7.75
Corporate information and material accounting policies	1 & 2		

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

A. Equity share capital

For the year ended March 31, 2024

Particulars	Note	No's	Amount
Balance as at April 1, 2023	12	5,28,66,000	528.66
Add: Issue of equity shares during the year	12	2,64,40,124	264.40
Balance as at March 31, 2024	12	7,93,06,124	793.06

For the year ended March 31, 2023

Particulars	Note	No's	Amount
Balance as at April 1, 2022	12	13,67,000	13.67
Add: Issue of equity shares during the year	12	15,70,000	15.70
Add: Issue of bonus shares during the year	12	4,99,29,000	499.29
Balance as at March 31, 2023	12	5,28,66,000	528.66

- i. On June 6, 2023, the Company has undertaken a pre-IPO placement by way of private placement of 4,075,471 equity shares aggregating to ₹ 1,080 million at an issue price of ₹ 265 per equity share.
- ii. The Company has completed an Initial Public Offer ("IPO") by way of fresh issue of 22,364,653 equity shares of face value of ₹ 10 each of the Company at an issue price of ₹ 265 per equity share aggregating to ₹ 5,920 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on July 10, 2023.

B. Other equity

For the year ended March 31, 2024

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Balance as at April 1, 2023		465.72	3.72	980.62	-	-	1,450.06
Profit for the year	13	-	-	611.96	-	-	611.96
Measurement of defined benefit liabilities	13	-	-	(6.57)	-	-	(6.57)
Fair valuation changes on financial instruments	13	-	-	-	-	(233.10)	(233.10)
Premium on issue of shares	13	6,735.60	-	-	-	-	6,735.60
Share based payment expense	13	-	-	-	48.05	-	48.05

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Share issue expenses	13	(309.28)	-	-	-	-	(309.28)
Balance as at March 31, 2024		6,892.04	3.72	1,586.01	48.05	(233.10)	8,296.72

For the year ended March 31, 2023

Particulars	Note	Reserves and surplus				Items of other comprehensive income	Total
		Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	
Balance as at April 1, 2022		92.09	3.72	661.64	-	-	757.45
Profit for the year	13	-	-	317.27	-	-	317.27
Measurement of defined benefit liabilities	13	-	-	1.71	-	-	1.71
Right issue of shares	13	872.92	-	-	-	-	872.92
Utilization for bonus shares	13	(499.29)	-	-	-	-	(499.29)
Balance as at March 31, 2023		465.72	3.72	980.62	-	-	1,450.06
Corporate information and material accounting policies	1&2						

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Shankar Srinivasan
Partner
Membership No.: 213271

For and on behalf of the Board of Directors
Cyient DLM Limited

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in ₹ millions, except share and per share data and where otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	821.39	431.60
<i>Adjustments for:</i>		
Depreciation and amortisation expense	223.12	194.15
Loss on sale of Property, Plant and Equipment (net)	-	5.56
Net unrealised exchange loss/(gain)	(3.15)	6.47
Finance costs	343.87	315.16
Interest income	(274.94)	(30.01)
Share based payment expenses	54.49	-
Expected credit loss allowance, net	1.34	13.89
Operating profit before working capital changes	1,166.12	936.82
<i>Changes in working capital:</i>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(638.10)	(106.57)
Inventories	(391.36)	(1,555.21)
Other assets & Other financial assets	20.60	(352.61)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	341.42	913.80
Provisions & Other liabilities	(1,008.73)	871.83
Cash (used in)/generated from operations	(510.05)	708.06
Income taxes paid	(195.36)	(168.44)
Net cash flow (used in) / generated from operating activities (A)	(705.41)	539.62
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments in Equity instruments of other entities (Unquoted)	-	(892.00)
Payment towards purchase of property, plant and equipment and intangible assets	(337.71)	(76.20)
Investment in deposits	(4,578.96)	(2,413.61)
Proceeds from maturity / withdrawal of deposits	532.57	1,960.50
Interest received	106.81	2.90
Net cash flow (used in)/generated from investing activities (B)	(4,277.28)	(1,418.41)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares (Note 12)	7,000.00	888.62
Transaction cost on issue of shares	(305.66)	-
Proceeds from current borrowings	4,467.58	3,950.00
Repayments of current borrowings	(6,114.86)	(3,893.07)
Payment of lease liabilities	(21.84)	(21.13)
Payment of Interest on lease liabilities	(43.32)	(39.45)
Interest paid	(192.16)	(163.19)
Net cash flow generated from financing activities (C)	4,789.74	721.78
Net decrease in cash and cash equivalents (A+B+C)	(192.95)	(157.01)
Cash and cash equivalents at the beginning of the year	611.58	768.59
Exchange differences on translation of foreign currency cash and cash equivalents	(1.74)	-
Cash and cash equivalents at the end of the year (refer note (i) below)	416.89	611.58
Notes:		
(i) Cash and cash equivalents comprises of: (refer note 11A)		
Balances with banks		
in current accounts	416.88	773.40
Cash on hand	0.01	0.01
	416.89	773.41
Bank overdraft account balances	-	(161.83)
	416.89	611.58

Refer Note 11 for Change in liabilities arising from financing activities and for non-cash financing and investing activities. Accompanying notes form an integral part of the financial statements
As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Shankar Srinivasan
Partner
Membership No.: 213271

Place: Hyderabad
Date: 23.04.2024

For and on behalf of the Board of Directors
Cyient DLM Limited

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Krithika S
Company Secretary
(M.No. - A37001)

Place: Hyderabad
Date: 23.04.2024

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(All amounts in ₹ million, except share and per share data and where otherwise stated)

1. Corporate Information:

The consolidated financial statements comprise financial statements of Cyient DLM Limited (the 'Company' or 'Parent') and its subsidiary (collectively referred to as 'the Group') for the year ended March 31, 2024. The company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India, and is a subsidiary of Cyient Limited (Ultimate Holding Company). The registered office of the Company is at Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad-500 108. The Company's shares are listed on two recognised stock exchanges in India.

The Group is principally engaged in providing total electronic manufacturing solutions in the fields of medical, industrial, automotive, telecommunication, defense and aerospace applications and machining of components for aerospace, automotive and defense industries. The consolidated financial statements were approved for issue in accordance with a resolution of the Directors on April 23, 2024.

2. Material Accounting Policies

2.1 Basis of Preparation & Presentation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Act), (Ind AS compliant Schedule III), as applicable to the financial statements.

The Company had incorporated a wholly owned subsidiary, Cyient DLM Inc, USA (the "Subsidiary") on March 5, 2024. Consequently, the Company is preparing the consolidated financial statements for the first time and comparative figures for the year ended March 31, 2023, represent the figures of the standalone financial statements of the Company.

These consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and liabilities measured at fair value (refer to accounting policy regarding financial instruments) and consistent with the previous year. The consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest millions, except when otherwise indicated.

2.2 Current versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in IAS 1, "Presentation of financial statements".

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.

Consolidation Procedures

- Combining like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiaries.
- Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary.
- All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full-on consolidation.

2.4 Use of judgements, estimates, and assumptions:

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgements, estimates, and assumptions which affect the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenditure for the periods presented. The management believes that the estimates used in the preparation of the consolidated financial statements are prudent and reasonable.

Future results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The effects of changes in accounting estimates are reflected in the consolidated financial statements in the period in which results are known and, if material, are disclosed in the consolidated financial statements.

Significant areas of estimation of uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are:

- Fair value measurement of financial instruments (Refer to Note 2.18)
- Provision for inventory obsolescence (Refer to Note 2.11)
- Provision for expected credit losses of trade receivables (Refer to Note 2.19)
- Share-based Payments (Refer to Note 2.16)

2.5 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.6 Foreign Currency Translation

Functional and Presentation Currency

The consolidated financial statements are presented in Indian Rupees ('INR'), which is the functional and presentation currency of the Parent.

Transactions and Balances

In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Foreign-currency-denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange gains and losses arising on settlement or translation are recognized in the consolidated statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.7 Property, Plant and Equipment

Property, Plant and Equipment are initially recognized at cost. The initial cost of Property, Plant and Equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates.

The cost of Property, Plant and Equipment includes interest on borrowings (borrowing cost) directly attributable to the acquisition, construction, or production of qualifying assets. Subsequent to initial recognition, Property, Plant and Equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The Group depreciates Property, Plant and Equipment over their estimated useful lives using the Straight-Line Method as per the useful life prescribed in Schedule II to the Act except in respect of the following categories of assets, in whose case the life of the assets has been assessed, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

Type of Asset	Useful Life of the Asset	As per Schedule II of Act
Buildings	Refer note 1 below	
Plant & Machinery	5-15 Years (refer to note 2 below)	15 years
Tools & Equipment	5 Years (refer to note 2 below)	10 years
Furniture & Fixtures	10 Years	10 years
Electrical Installations	10 Years	10 Years
Vehicles	10 Years	10 Years
Computers & Servers	3-5 Years	3-6 Years
Office Equipment	5 Years	5 Years

Notes:

1. Buildings constructed over leasehold land are depreciated over the remaining lease term of land or life as specified under Schedule II of the Act, whichever is lower.
2. The Group, based on the technical assessment made by technical experts and management estimate, depreciates certain items of Plant & Machinery, Computers & Servers, and Tools & Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in of the consolidated statement of profit and loss.

The residual values, useful lives, and methods of depreciation of Property, Plant and

Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment. Intangible assets are amortized over their estimated useful life on a Straight-Line basis as follows:

Type of Asset	Useful life
Computer Software	3 years

Gains or losses arising from the de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the consolidated statement of profit and loss when the asset is de-recognized.

2.9 Leases

Group as a Lessee

The Group assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a Straight-Line basis over the term of the lease.

i) Right-of-use Assets

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the

commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated from the commencement date on a Straight-Line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The right-of-use assets are also subject to impairment.

ROU Asset	Useful Lives
Leasehold Land	19 years
Buildings	3-10 years

ii) Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made or a change in the assessment of extension or termination options. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments). Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Income taxes:

The income tax expense or credit for the period is the tax payable or tax receivable on the taxable income based on the applicable income tax rate in India adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognized in the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current tax and deferred tax are calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

Deferred tax is provided using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/loss and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

2.11 Inventories:

Inventories are valued at the lower of cost and net realizable value.

Inventories consist of raw materials, stores, and spares, work in progress, and finished goods. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares consist of packing materials, engineering spares (such as machinery spare parts), and consumables (such as lubricants and oils), which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The factors that the Group considers in determining the provision for slow-moving, excess, or obsolete inventory items include production plan, orders in hand, forecast inventory usage, committed and expected orders, and alternative usage. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

2.12 Cash and Cash Equivalents:

Cash comprises cash on hand, in the bank and demand deposits with banks. The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, in the bank, and demand deposits with banks, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.13 Provisions and Contingent Liabilities

2.13.1 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as an interest expense. Provisions are not recognized for future operating losses.

Provisions for onerous contracts are recognized when the expected benefits to be desired by the Group from a contract are lower than unavoidable costs of meeting future obligations under the contract and are measured at the present value of lower than expected net cost of fulfilling the contract and expected cost of terminating the contract.

2.13.2 Contingencies

Contingent liability is disclosed for all possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or present

obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are not recognized but disclose their existence in the consolidated financial statements unless the probability of outflow of resources is remote. A contingent asset is neither recognized nor disclosed in the consolidated financial statements.

2.14 Revenue recognition

Revenue from contracts with customers is recognised, on the basis of approved contracts, when control of the goods or services is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Group is the principal as it typically controls the goods or services before transferring them to the customer.

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally upon delivery of the goods. Revenue from the rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The arrangement with the customer specifies services to be rendered which meet the criteria of performance obligations. For allocation of transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The transaction price of goods sold and services rendered is net of variable consideration.

Variable consideration includes incentives, volume rebates, discounts, etc., which is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at the end of each reporting period.

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.17 Financial Instruments – Initial Recognition and Subsequent Measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Generally, the Group receives advances from a few of its customers. If there is a manufacturing lead time of more than one year after signing the contract and receipt of payment, then there is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the goods. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the

Group and the customer at contract inception. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

2.15 Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.16 Employee Benefit Plans

Employee benefits include Provident Fund, Employees' State Insurance Scheme, Gratuity Fund, and Compensated Absences.

Post-employment Obligations:

Defined Contribution Plans:

Contributions in respect of Employees' Provident Fund which are defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans

Gratuity:

The Group accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date using the projected unit credit method. The liability recognized in the consolidated balance sheet in respect of the gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plant assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the consolidated statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the consolidated statement of profit and loss as past service cost.

Compensated Absences:

The employees of the Group are entitled to compensate absences. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Group records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Group measures the expected cost of compensated absence based on actuarial valuation made by an independent actuary as at the balance sheet date on the projected unit credit method.

Share-based Payments

The Group recognizes compensation expense relating to share-based payments in the consolidated statement of profit and loss, using fair value in accordance with Ind AS 102, Share-based payments.

The Stock options are measured at the fair value of the equity instruments at the grant date, based on the Option Valuation Model (Black Scholes model). The fair value determined at the grant date of the stock options is expensed on a Straight-Line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest, with a corresponding increase in share-based payments reserve in equity.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognized in the consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve in equity. The equity settlement component is not remeasured at each reporting date. The cash settlement component is remeasured at each reporting date and at the settlement date based on the fair value of the liability with any changes in the fair value recognized in the consolidated statement of profit and loss.

Other short-term employee benefits

Other short-term employee benefits and performance incentives expected to be paid in exchange for the services rendered by employees are recognized during the period when the employee renders service.

2.17 Financial Instruments

a) Initial Recognition:

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivable. Transaction costs that are directly attributable to the acquisition or issue of

financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the consolidated statement of profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.13 Revenue Recognition.

b) Subsequent Measurement:

(i) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets:

Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income:

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(ii) Financial liability:

All financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liability subsequently measured at amortized cost:

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance costs' line item.

c) Foreign exchange gains and losses:

For foreign currency-denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences in the amortized cost are recognized in profit or loss, and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the consolidated statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in the consolidated statement of profit and loss.

d) De-recognition of Financial Assets and Liabilities:

Financial Assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group retains substantially all the risk and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the consolidated statement of profit or loss on disposal of that financial asset.

Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit and loss.

2.18 Determination of Fair Values

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash

flow analysis, available quoted market prices, and dealer quotes. All methods of assessing fair value result in a general approximation of value and such value may never actually be realized.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of the asset or liability of market participants when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.19 Impairment of Assets

Financial Assets

The Group recognized loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the consolidated statement of profit and loss.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the receivables. As a practical expedient, the Group uses a provision matrix to determine the impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. The ECL loss allowance (or reversal) during the year is recognized in the consolidated statement of profit and loss.

Non-Financial Assets

Intangible assets, property, plant and equipment and ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless

the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Intangible assets under development are tested for impairment annually. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

If such assets are considered to be impaired, the impairment to be recognized in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.20 Earnings Per Share:

The Group presents basic and diluted Earnings Per Share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.21 New and Amended Standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31,

2023, to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. These amendments are applied first time by the company.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies, and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition, or presentation of any items in the Group's consolidated financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Group previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact on the balance sheet. There was also no impact on the opening retained earnings as at April 1, 2022.

2.22 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3A. Property, Plant and Equipment

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of:		
Buildings	709.63	753.73
Computers	69.64	33.44
Plant and equipment	425.84	300.45
Office equipment	16.92	11.69
Furniture and fixtures	68.63	55.59
Electrical installations	23.12	15.19
Vehicles	0.01	0.01
Tools and equipment	60.66	47.40
Total	1,374.45	1,217.50

Notes:

Movement in the carrying amounts of property, plant and equipment is as below:

Particulars	Buildings*	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total	CWIP
I. Gross carrying value										
Balance as at April 1, 2022	901.46	92.11	845.31	28.19	144.29	40.44	0.27	125.68	2,177.75	33.91
Additions	6.14	17.79	9.19	6.91	4.34	2.05	-	28.60	75.02	54.45
Disposals	-	(1.87)	(70.85)	-	(3.19)	(0.08)	-	-	(75.99)	(75.02)
Balance as at March 31, 2023	907.60	108.03	783.65	35.10	145.44	42.41	0.27	154.28	2,176.78	13.34
Additions	6.63	52.77	187.58	9.58	24.42	10.80	-	29.08	320.86	317.03
Disposals	-	-	-	-	-	-	-	-	-	(320.86)
Balance as at March 31, 2024	914.23	160.80	971.23	44.68	169.86	53.21	0.27	183.36	2,497.64	9.51
II. Accumulated depreciation										
Balance as at April 1, 2022	104.12	64.34	492.64	19.97	81.92	24.78	0.26	94.89	882.92	-
Depreciation for the year (refer note 26)	49.75	12.04	56.12	3.44	10.95	2.50	-	11.99	146.79	-
Disposals	-	(1.79)	(65.56)	-	(3.02)	(0.06)	-	-	(70.43)	-
Balance as at March 31, 2023	153.87	74.59	483.20	23.41	89.85	27.22	0.26	106.88	959.28	-
Depreciation for the year (refer note 26)	50.73	16.56	62.19	4.35	11.38	2.87	-	15.82	163.90	-
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	204.60	91.15	545.39	27.76	101.23	30.09	0.26	122.70	1,123.18	-
III. Carrying Amounts (I-II)										
Balance as at March 31, 2023	753.73	33.44	300.45	11.69	55.59	15.19	0.01	47.40	1,217.50	13.34
Balance as at March 31, 2024	709.63	69.64	425.84	16.92	68.63	23.12	0.01	60.66	1,374.45	9.51

* relates to building constructed on leasehold land

3B. Leases

(a) Right of use assets

Particulars	Leasehold land	Buildings	Total
Balance as at April 1, 2022	360.87	21.99	382.86
Additions	-	-	-
Deletions	-	-	-
Depreciation (refer note 26)	(22.54)	(15.04)	(37.58)
Balance as at March 31, 2023	338.33	6.95	345.28
Additions	-	191.63	191.63
Deletions	-	-	-
Depreciation (refer note 26)	(22.54)	(20.23)	(42.77)
Balance as at March 31, 2024	315.79	178.35	494.14

(b) Current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	70.46	53.21
Non-current lease liabilities	515.10	362.56
Total	585.56	415.77

The following is the movement in lease liabilities during the year ended

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	415.77	436.90
Additions	191.63	-
Deletions	-	-
Finance cost accrued during the period (refer note 25)	43.32	39.45
Payment of lease liabilities	(65.16)	(60.58)
Balance at the end of the year	585.56	415.77

The table below provides details regarding contractual maturities of lease liabilities on an undiscounted basis

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	87.09	51.86
One to five years	408.46	169.07
More than five years	463.47	560.75
Total	959.02	781.68

The Group does not face a significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities is 10%, with maturity between 2024-2038

(c) The following are the amounts recognised in Profit or Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of right-of-use assets	42.77	37.58
Interest on lease liabilities	43.32	39.45
Total	86.09	77.03

3C. Capital work-in-progress ageing schedule

(i) Ageing of capital work-in-progress

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at March 31, 2024					
Projects in progress	7.96	1.55	-	-	9.51
Total	7.96	1.55	-	-	9.51
Balance as at March 31, 2023					
Projects in progress	13.34	-	-	-	13.34
Total	13.34	-	-	-	13.34

Note 1: Projects in progress are not overdue and not exceeded the cost.

Note 2: Refer Note 3A for CWIP movement.

Note 3: There are no projects that are temporarily suspended.

4. Goodwill

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at beginning of year	30.30	30.30
Additions through business combinations	-	-
Foreign currency transaction adjustments	-	-
Balance at end of the year*	30.30	30.30

*Represents Goodwill acquired on acquisition of Techno Tools, which is tested for impairment on an annual basis. The estimated value-in-use is based on future cash flows (discounted @ 14% post tax) for a forecast period of 5 years and terminal growth rate of 0.5%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates) are based on reasonably probable assumptions and we did not identify any probable scenario in which the recoverable amount of Goodwill would decrease below its carrying amount.

5. Other Intangible assets

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of:		
Computer software	22.45	16.46
Total	22.45	16.46

Movement in the carrying amount of intangible assets is as below:

Particulars	Computer software	Total
I. Gross carrying amount		
Balance as at April 1, 2022	107.74	107.74
Additions	12.12	12.12
Disposals	-	-
Balance as at March 31, 2023	119.86	119.86
Additions	22.43	22.43
Disposals	-	-
Balance as at March 31, 2024	142.30	142.30
II. Accumulated amortisation		
Balance as at April 1, 2022	93.62	93.62

Particulars	Computer software	Total
Amortisation for the year (refer note 26)	9.78	9.78
Disposals	-	-
Balance as at March 31, 2023	103.40	103.40
Amortisation for the period (refer note 26)	16.45	16.45
Disposals	-	-
Balance as at March 31, 2024	119.85	119.85
III. Carrying amounts (I-II)		
Balance as at March 31, 2023	16.46	16.46
Balance as at March 31, 2024	22.45	22.45

6. Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Investments carried at fair value through other comprehensive income (unquoted), Full paid up		
Equity instruments of other entities (Unquoted)	662.12	895.22
Total	662.12	895.22

Note: Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the Group. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

Note (a): Details of investments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity instruments of other entities (unquoted)				
Mysore ESDM Cluster	31,93,237	3.22	31,93,237	3.22
STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited)	23,42,869	658.90	23,42,869	892.00

Note (b): Carrying value of investments

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of Investments carried at fair value through other comprehensive income	662.12	895.22

Note (c): Gain or (loss) on fair valuation of investments

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited)	(233.10)	-

7. Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
(at amortised cost)		
Unsecured, considered good		
Security deposits	53.23	34.97
Total	53.23	34.97
Current		
(at amortised cost)		
Unsecured, considered good		
Security deposits	29.60	5.00
Interest accrued on deposit accounts	216.43	48.30
Advance to employees	2.90	1.36
Total	248.93	54.66
Total other financial assets	302.16	89.63

8. Other Assets (Unsecured, considered good)

Particulars	As at March 31, 2024	As at March 31, 2023
8A: Non-current:		
Capital advances	66.94	22.63
Prepayments	1.85	15.78
Total	68.79	38.41
8B: Current:		
Prepayments	47.76	35.11
Advance to suppliers	360.90	340.62
Balances with government authorities	297.57	346.61
Share Issue expenses (Refer note 1)	-	61.93
Other current assets	37.20	13.63
Total	743.43	797.90
Total other assets	812.22	836.31

Note 1:

During the year ended 31 March 2023, the Company had incurred share issue expenses in connection with proposed public offer of equity shares of which ₹61.93 was accounted for various services received for Initial Public Offering (IPO) which was later adjusted with securities premium on issue of shares.

9. Inventories (Valued at lower of cost or net realisable value) (Net of provision)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials	3,981.45	3,896.08
Work-in-progress	396.17	235.97
Finished goods	226.93	99.35
Consumables & stores	37.64	19.43
Total	4,642.19	4,250.83

10. Trade Receivables (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables		
Unsecured, considered good	2,370.09	1,698.85
Less: Allowance for expected credit loss	(111.40)	(81.38)
	2,258.69	1,617.48

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables - credit impaired - unsecured	15.02	43.71
Less: Allowance for credit impairment	(15.02)	(43.71)
Total	2,258.69	1,617.48
Trade receivables	2,164.69	1,570.77
Trade receivables from related parties (refer note 30)	94.00	46.71
Total	2,258.69	1,617.48

Note:

Expected Credit Loss (ECL):

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The average credit period is between 60-90 days. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits for each customer. Limits and scoring attributed to customers are reviewed once a year.

As a practical expedient, the Group uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Accordingly, the Group creates provision for past due receivables less than 270 days ranging between 1%-30% and 100% for the receivables due beyond 270 days. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Ageing for receivables	As at March 31, 2024						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	Total
Undisputed Trade Receivables							
Considered good	1,574.30	634.32	44.00	50.38	8.31	58.78	2,370.09
Disputed Trade Receivables							
Credit impaired	-	-	-	-	-	15.02	15.02
Total	1,574.30	634.32	44.00	50.38	8.31	73.80	2,385.11
Less : Allowance for credit impairment and expected credit loss							(126.42)
Balance at the end of the year							2,258.69

Ageing for receivables	As at March 31, 2023						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	Total
Undisputed Trade Receivables							
Considered good	1,108.02	504.07	39.17	14.86	19.99	12.75	1,698.85
Disputed Trade Receivables							
Credit impaired	-	-	-	-	-	43.71	43.71
Total	1,108.02	504.07	39.17	14.86	19.99	56.46	1,742.56
Less : Allowance for credit impairment and expected credit loss							(125.08)
Balance at the end of the year							1,617.48

Movement in the expected credit loss allowance	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	125.08	124.00
Provision made during the year (net of reversals) (refer note 27)	1.34	13.89
Bad debts written off	-	(12.81)
Balance at the end of the year	126.42	125.08

Note 1: No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

11. Cash and Bank Balances

11A. Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
in current accounts	416.88	582.56
Cash on hand	0.01	0.01
Remittances in transit	-	190.84
Total	416.89	773.41

11B. Other bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits held as margin money/security for bank guarantees*	730.63	902.60
Deposits in bank with original maturity more than 3 months but less than 12 months**	4,160.00	-
Balance in Escrow Accounts	58.35	-
Total	4,948.98	902.60

*Deposits held as margin money is towards non-fund based limits sanctioned by the bank for establishment of bank guarantee and letter of credits.

**Represents money received from issue of shares through Initial Public Offering, which were not required for immediate utilization and invested in fixed deposits payable on demand.

Note:

Changes in liabilities arising from financing activities and non-cash financing and investing activities:

For the year ended March 31, 2024:

Particulars	As at March 31, 2023	Additions	Finance cost accrued during the period	Proceeds	Repayment	Foreign exchange	As at March 31, 2024
Non-current borrowings (including current portion)	995.63	-	-	-	-	-	995.63
Current borrowings (net)*	2,149.11	-	-	4,467.58	(6,276.69)	-	340.00
Lease liabilities	415.77	191.63	43.32	-	(65.16)	-	585.56
Total liabilities from financing activities	3,560.51	191.63	43.32	4,467.58	(6,341.85)	-	1,921.19

For the year end March 31, 2023:

Particulars	As at March 31, 2022	Additions	Finance cost accrued during the period	Proceeds	Repayment	Foreign exchange	As at March 31, 2023
Non-current borrowings (including current portion)	995.63	-	-	-	-	-	995.63
Current borrowings (net)*	1,936.30	-	-	4,111.83	(3,893.07)	(5.95)	2,149.11
Lease liabilities	436.90	-	39.45	-	(60.58)	-	415.77
Total liabilities from financing activities	3,368.83	-	39.45	4,111.83	(3,953.65)	(5.95)	3,560.51

*Repayment includes movement on bank overdraft balances.

Non-cash financing and investing activities

Acquisition of Right-of-use assets for the year ended March 31, 2024 ₹191.63 (March 31, 2023 ₹ Nil)

12. Equity Share Capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
8,50,00,000 (March 31, 2023 : 8,50,00,000) equity shares of ₹ 10 each	850.00	850.00
Issued and subscribed capital:		
7,93,06,124 (March 31, 2023: 5,28,66,000) fully paid up equity shares of ₹ 10 each	793.06	528.66
Total	793.06	528.66

- On June 6, 2023, the Company has undertaken a pre-IPO placement by way of private placement of 4,075,471 equity shares aggregating to ₹ 1,080 million at an issue price of ₹ 265 per equity share.
- The Company has completed an Initial Public Offer ("IPO") by way of fresh issue of 22,364,653 equity shares of face value of ₹ 10 each of the Company at an issue price of ₹ 265 per equity share aggregating to ₹ 5,920 million. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on July 10, 2023.
- The Company has neither issued any shares with differential voting rights nor issued any sweat equity shares during the year ended March 31, 2024 and March 31, 2023.

Note:**(A) Reconciliation of Equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of shares held	Amount	No of shares held	Amount
Balance as at beginning of the year	5,28,66,000	528.66	13,67,000	13.67
Add: Issue of shares	2,64,40,124	264.40	15,70,000	15.70
Add: Issue of Bonus shares		-	4,99,29,000	499.29
Balance as at end of the year	7,93,06,124	793.06	5,28,66,000	528.66

(B) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid up equity shares				
Cyient Limited (Ultimate Holding company)	5,28,66,000	66.66%	5,28,66,000	100.00%
Amansa Investments Ltd	40,75,471	5.14%	-	-

As per records of the Company, including its register of shareholders and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(C) Details of Shares held by promoters at the end of the year

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2023	Change	March 31, 2024		
Cyient Limited (Ultimate Holding company)	5,28,66,000	-	5,28,66,000	66.66%	-

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2022	Change	March 31, 2023		
Cyient Limited (Ultimate Holding company)	13,67,000	5,14,99,000	5,28,66,000	100.00%	3767%

(D) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(E) Equity shares issued as bonus during the five years preceding March 31, 2024:

Pursuant to resolution passed by the Directors of the Company on December 13, 2022 and approved by the extraordinary general meeting held on December 14, 2022, the Company had allotted 49,929,000 fully paid-up equity shares of face value of ₹ 10 each by way of bonus issue to its shareholders bonus shares in the ratio of 1:17.

(F) Employee Share based expenses

- (i) Cyient Limited ("Ultimate Holding Company") of the Company instituted Associate stock option plan 2015 (ASOP 2015) in July 2015 and earmarked 1,200,000 equity shares of ₹ 5 each for issue to the employees of the Holding Company and its subsidiaries. Under ASOP 2015, options will be issued to employees at an exercise price, which shall not be less than the market price of the Ultimate Holding Company on the date of grant. These options vest over a period ranging from one to three years from the date of grant, starting with 10% at the end of first year, 15% at the end of one and half years, 20% after two years, 25% at the end of two and half years and 30% at the end of third year. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	6,200	473	9,953	473
Transfer of Employees	33,670	583	-	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(29,829)	513	(3,753)	473
Options outstanding at the end of the year	10,041	490	6,200	473

The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 455 - ₹ 678 Dividend yield (%) - 1.7 - 2.9, Expected volatility (%) - 29.8 - 41.60, Risk-free interest (%) - 4.49 - 7.9, Expected term (in years) - 3 - 4.

- (ii) Cyient Limited ("Ultimate Holding Company") of the Company instituted the ARSU's 2020 plan earmarking 1,050,000 shares of ₹ 5 each which provided for grant of RSUs to eligible associates of the Company and its subsidiaries. The Board of Directors recommended the establishment of the plan on January 16, 2020 and

the shareholders approved the recommendation of Board of Directors on March 5, 2020 through a postal ballot. The RSUs will vest over a period of three years from the date of grant. These options vest over a period ranging from one to three years from the date of grant, starting with 30% at the end of first year, 50 % after two years, 20% at the end of third year. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	1,168	5	1,040	5
Transfer of Employees	1,316	5	-	-
Granted	-	-	440	5
Forfeited	-	-	-	-
Exercised	(1,968)	5	(312)	5
Options outstanding at the end of the year	516	5	1,168	5

The fair value of RSUs granted in the year was March 31, 2024 ₹ Nil, March 31, 2023 ₹ 726 to 745. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 811 - ₹ 874 Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 38.73 - 41.90, Risk-free interest (%) - 4.96 - 6.8, Expected term (in years) - 3.

- (iii) Cyient Limited ("Ultimate Holding Company") of the Company has instituted the ASOP 2021 scheme and also incorporated 'Cyient Associate Stock Option Scheme 2021 Trust' (Trust), whereunder shares were purchased from the stock exchanges through the Trust. KP Corporate Solutions Limited, Corporate Trustee, has been appointed as trustee for this Trust. Shareholders of the Ultimate Holding Company have approved the Scheme and the formation of Trust through postal ballot on February 23, 2021.

During the year ended March 31, 2022, Trust purchased 1,079,000 shares. The options will vest over 3 years from the grant date and the Leadership Nomination and Remuneration Committee will determine the vesting schedule. Vesting in any particular year will not exceed 50% of the total grant. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

Movements in stock options during the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	9,200	5	9,200	5
Transfer of Employees	27,200	5	-	-
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(10,692)	5	-	-
Options outstanding at the end of the year	25,708	5	9,200	5

The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 806 - ₹ 983. Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 36 - 41.80, Risk-free interest (%) - 5.1 - 6.3, Expected term (in years) - 3 - 4.

- (iv) Cyient DLM Limited instituted the restricted stock unit plan 2023 plan earmarking 7,33,800 shares of ₹ 10 each which provided for grant of RSUs to eligible associates of the Company and its subsidiaries. The Board of Directors recommended the establishment of the plan on July 21, 2023 and the shareholders approved the recommendation of Board of Directors on September 9, 2023 through a postal ballot. The RSUs will vest over a period of three years from the date of grant.

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	-	-	-	-
Granted	7,33,800	10	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Options outstanding at the end of the year	7,33,800	10	-	-

The fair value of RSUs granted in the year was March 31, 2024 - ₹ 444, March 31, 2023 - Nil. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 634, Dividend yield (%) - 0.5, Expected volatility (%) - 35.60 - 40.40, Risk-free interest (%) - 7, Expected term (in years) - 5.

The total charge for the year relating to employee share based payment plans was March 31, 2024 - ₹ 54.49, March 31, 2023 - ₹ 5.42

13. Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
(a) General reserve	3.72	3.72
(b) Securities premium		
(i) As at beginning of the year	465.72	92.09
(ii) Premium on right issue of shares	-	872.92
(iii) Premium on issue of shares	6,735.60	-
(iv) Share issue expenses*	(309.28)	-
(v) Utilization for bonus shares	-	(499.29)
(vi) As at end of the year	6,892.04	465.72
(c) Retained earnings		
(i) As at beginning of the year	980.62	661.64
(ii) Profit for the year	611.96	317.27
(iii) Measurement of defined benefit liabilities	(6.57)	1.71
(iv) As at end of the year	1,586.01	980.62
(d) Share based payments reserve		
(i) As at beginning of the year	-	-
(ii) Share based payment expenses	48.05	-
(iii) Options exercised	-	-
(iv) As at end of the year	48.05	-
(e) Equity instruments through OCI (refer note 6)		
(i) As at beginning of the year	-	-
(ii) Fair valuation changes on financial instruments	(233.10)	-
(iii) As at end of the year	(233.10)	-
Total	8,296.72	1,450.06

* Includes auditor remuneration in relation to IPO of ₹16 (incurred during the year - ₹5.5)

Nature and Purpose :

a) General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) Securities premium:

Amounts received on issue of shares in excess of the par value has been classified as securities premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(c) Retained earnings

- (i) Retained earnings comprises of prior years' undistributed earnings after taxes along with current year profit.
- (ii) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. These are presented within retained earnings.

(d) Share based payments reserve

The Share based payments reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to Equity upon exercise of stock options by employees.

(e) Equity Instruments through OCI

Represents the cumulative gains and losses arising on fair valuation of the equity instruments measured at fair value through OCI.

(f) The Utilisation of the net IPO proceeds (net of share issue expenses) is summarised below:

Particulars	Objects of the issue as per prospectus	Utilisation upto March 31, 2024	Unutilised amount as at March 31, 2024
Funding incremental working capital requirements of the Company	2,910.90	798.80	2,112.10
Funding capital expenditure of the Company	435.72	17.92	417.80
Repayment/prepayment, in part or full, of certain borrowings of the Company	1,609.11	1,608.54	0.57
Achieving inorganic growth through acquisitions	700.00	-	700.00
General corporate purposes	933.90	-	933.90
Total	6,589.63	2,425.26	4,164.37

14. Borrowings (at amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Unsecured		
Term loan from related party (refer note 30)	746.72	995.63
Total	746.72	995.63
Current		
Unsecured		
Term Loan from related party - Current maturities of non-current borrowings	248.91	-

Particulars	As at March 31, 2024	As at March 31, 2023
Working capital loan from related party (refer note 30)	340.00	540.00
Secured		
Working capital loans from banks	-	1,609.11
Total	588.91	2,149.11
Total borrowings	1,335.63	3,144.74

Details of the borrowings along with their terms and conditions

a. Term loan from related party

The Company has obtained term loan of ₹ 1,000.00 from Cyient Limited for capital expenditure purpose, which is availed in various tranches starting from February 2019 repayable in 16 quarterly instalments starting from the June 2023 for each tranche. During the previous year, the Company has renewed the term loan agreement with Cyient Limited. As per the renewal agreement, loan will be repaid in 16 quarterly instalments starting from June 2024 and accrued interest on term loan as at March 31, 2024 will be repaid proportionately along with the repayment of principal amount. Outstanding balance of the term loan as at March 31, 2024 was ₹ 995.63 (ROI - 7.80% p.a), March 31, 2023 was ₹ 995.63 (ROI - 6.00% p.a). There is no default in the repayment of principal loan and interest amount.

b. Working capital loan from related party

The Company has availed working capital loan repayable on demand from Cyient Limited whose outstanding balance as at March 31, 2024 is ₹ 340.00 (ROI - 7.80% p.a.), March 31, 2023 is ₹ 540.00 (ROI - 6.00% p.a.). This loan is repayable on demand.

c. Working capital loans from banks

i. The Company had availed working capital loans (repayable on demand) from various banks:

Particulars	As at March 31, 2024	As at March 31, 2023
HDFC Bank		
Loan outstanding	-	324.15
Range of interest	-	7.58% to 9.00%
State Bank of India		
Loan outstanding	-	580.86
Range of interest	-	8.45% to 8.65%
Federal Bank		
Loan outstanding	-	525.00
Range of interest	-	7.85%

Particulars	As at March 31, 2024	As at March 31, 2023
Axis Bank		
Loan outstanding	-	108.99
Range of interest	-	7.6% to 8.55%

ii. The Company had availed Packing credit facility from various banks:

Particulars	As at March 31, 2024	As at March 31, 2023
HDFC Bank		
Loan outstanding	-	70.11
Range of interest	-	6.08%

Note: The working capital loans from banks have been repaid out of the IPO proceeds during the year

Security terms for working capital loans from banks:

- i. First pari-passu charge on present and future current assets including inventory and trade receivables of the Company
- ii. Second pari-passu charge on all existing and future movable fixed assets of the Company.
- iii. Corporate guarantee from Cyient Limited.
- iv. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

15. Other Financial Liabilities (at Amortised cost)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current		
Interest accrued but not due on borrowings*	180.60	166.32
Total	180.60	166.32
Current		
Capital creditors	60.70	14.64
Interest accrued but not due on borrowings*	155.96	61.85
Total	216.66	76.49

* includes amount payable to related parties (refer note 14 & 30 for details)

16. Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 29)	79.93	74.45
Compensated absences	29.88	23.81
Total provisions	109.81	98.26
Non-current:		
Gratuity	79.93	74.45
Compensated absences	26.39	20.82
Total	106.32	95.27
Current:		
Gratuity	-	-
Compensated absences	3.49	2.99
Total	3.49	2.99

17. Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
(at amortised cost)		
(i) total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 34)	76.80	69.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,123.46	2,783.45
Total	3,200.26	2,852.62
Trade Payables	2,362.66	2,208.35
Trade Payables to related parties (refer note 30)	837.60	644.27
Total	3,200.26	2,852.62

Trade payables are non-interest bearing and are normally settled on 60-day terms

Ageing for trade payable	As at March 31, 2024						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Dues to MSME	-	26.01	50.79	-	-	-	76.80
Dues to other than MSME	449.99	797.01	1,200.67	263.18	412.61	-	3,123.46
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
Balance at the end of the year	449.99	823.02	1,251.46	263.18	412.61	-	3,200.26

Ageing for trade payable	As at March 31, 2023						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Dues to MSME	-	24.05	45.12	-	-	-	69.17
Dues to other than MSME	613.08	723.77	1,012.64	433.96	-	-	2,783.45
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
Balance at the end of the year	613.08	747.82	1,057.76	433.96	-	-	2,852.62

18. Other Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Advance from customers (refer note 20 & 30)	978.55	2,022.84
Unearned revenues	278.37	254.15
Statutory remittances	23.94	15.37
Total	1,280.86	2,292.36

19. Income Taxes

19.1 Tax expense

A. Income tax expense/(credit) recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of current period	212.09	129.71
	212.09	129.71
Deferred tax expense/(benefit):		
In respect of the current period	(2.66)	(15.38)
	(2.66)	(15.38)
Total	209.43	114.33

B. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Items that will not be reclassified to profit or loss		
Tax effect on remeasurements of the net defined benefit liability	2.21	(0.57)
Total	2.21	(0.57)

C. Reconciliation of effective tax rate

The following is the reconciliation of the Group's effective tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	821.39	431.60
Enacted rate in India	25.17%	25.17%
Computed expected tax expense	206.74	108.63
Tax effect of adjustments to reconcile expected tax expense:		
Expenses that are not deductible in determining taxable profit	2.69	5.70
Income tax expense	209.43	114.33

19.2. Deferred tax assets and liabilities

A. The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Allowance for expected credit loss	31.82	31.48
Section 43B disallowances	34.76	28.64
Lease liabilities (refer note 3B)	147.37	104.64
Others	-	3.90
Total (A)	213.96	168.66
Deferred tax liabilities		
Property, plant and equipment and Intangible assets	(30.84)	(27.97)
Right of use assets (refer note 3B)	(124.45)	(86.90)
Total (B)	(155.29)	(114.87)
Deferred tax asset, net (A+B)	58.66	53.79

Deferred tax assets have been recognised considering the utilisation plan against future taxable profits which are supported by existing and future sale orders.

B. Movement in deferred tax assets and liabilities

Particulars	Property, plant and equipment and Intan- gible assets	Provision for employ- ee benefits	Right of use assets (refer note 3B)	Provision for doubtful debts	Lease Liabilities (refer note 3B)	Others	Total
Balance as at April 1, 2022	(28.63)	22.80	(96.36)	31.21	109.96	-	38.98
Recognised in P&L during the year	0.66	6.41	9.46	0.27	(5.32)	3.90	15.37
Recognised in OCI during the year	-	(0.57)	-	-	-	-	(0.57)
Balance as at March 31, 2023	(27.97)	28.64	(86.90)	31.48	104.64	3.90	53.79
Recognised in P&L during the year	(2.87)	3.91	(37.55)	0.34	42.73	(3.90)	2.66
Recognised in OCI during the year	-	2.21	-	-	-	-	2.21
Balance as at March 31, 2024	(30.84)	34.76	(124.45)	31.82	147.37	0.00	58.66

Deferred tax asset has not been recognized on loss on fair valuation of investments of ₹ 233.10 as at March 31, 2024 as it is probable that future taxable profit will not be available against which such capital loss can be utilized in the foreseeable future.

19.3. Income tax assets and liabilities

The following is the analysis of income tax assets/(liabilities) presented in the Group balance sheet:	As at March 31, 2024	As at March 31, 2023
Income tax assets, net		
Advances income taxes	-	5.03
Income tax liabilities, net		
Income tax payable	33.60	21.90

20. Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of goods	11,644.14	8,176.09
Rendering of services	274.57	144.24
Total	11,918.71	8,320.33

The Group presents revenues net of indirect taxes in the statement of profit and loss.

1. Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by contract type and geography. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Type of goods or service		
Sale of printed circuit boards and related products	11,644.14	8,176.09
Job work charges and other services	274.57	144.24
Total	11,918.71	8,320.33
Based on geographical location of customers		
Within India	6,345.13	3,352.30
Outside India	5,573.58	4,968.03
Total	11,918.71	8,320.33
Timing of revenue recognition		
Goods transferred at a point in time	11,644.14	8,176.09
Services transferred over time	274.57	144.24
Total	11,918.71	8,320.33

2. Trade receivables and contract balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables	2,258.69	1,617.48
Unearned revenue (Contract liabilities)	278.37	254.15
Advance from customers (Contract liabilities)	978.55	2,022.84

The Group classifies the right to consideration in exchange for deliverables as trade receivable. A trade receivable is a right to consideration that is unconditional upon passage of time.

Contract Liabilities

Advance from customers represents the amounts received from customers, which are adjusted against the future supplies against each customer order upon delivery. Unearned revenues represents invoicing in excess of revenue.

Amount of revenue recognised from:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Unearned revenue (Contract liabilities)	202.36	-
Advance from customers (Contract liabilities)	1,130.02	782.02

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less and there were no contract exceeding a period of one year.

21. Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on financial assets carried at amortised cost		
Deposits with Banks	274.94	30.01
	274.94	30.01
Other non-operating income		
Export incentives	-	3.63

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit on sale of property, plant and equipment	-	(5.56)
Foreign exchange gain (net)	(36.16)	27.62
Miscellaneous income	39.48	7.41
	3.32	33.10
Total	278.26	63.11

22. Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	3,896.08	2,219.90
Add: Purchases	9,572.75	8,017.71
Less: Closing stock	(3,981.45)	(3,896.08)
Cost of materials consumed	9,487.38	6,341.53

23. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock:		
Finished goods	99.35	153.99
Work-in-progress	235.97	291.94
	335.32	445.93
Closing Stock:		
Finished goods	226.93	99.35
Work-in-progress	396.17	235.97
	623.10	335.32
Net Decrease / (Increase):		
Finished goods	(127.58)	54.64
Work-in-progress	(160.20)	55.97
Total	(287.78)	110.61

24. Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages, including bonus	1,022.31	568.73
Contribution to provident and other funds	44.05	38.53
Share based payment expenses (refer note 12)	54.49	5.42
Staff welfare expenses	52.95	34.26
Total	1,173.80	646.94

25. Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense -		
Interest on borrowings from banks	98.86	115.72
Interest on borrowings from related parties (refer note 30)	122.49	92.14
Interest on others	65.12	49.28
Interest on lease liabilities (refer note 3B)	43.32	39.45
Other borrowing costs	14.09	18.57
Total	343.87	315.16

26. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 3A)	163.90	146.79
Depreciation of right-of-use assets (refer note 3B)	42.77	37.58
Amortisation of intangible assets (refer note 5)	16.45	9.78
Total	223.12	194.15

27. Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rates and taxes	15.75	27.24
Insurance	31.25	24.88
Stores and spares consumed	60.58	46.81
Freight outwards	64.60	55.88
Travelling and conveyance	30.09	3.68
Communication	5.14	3.39
Printing and stationery	3.61	1.49
Power and fuel	49.18	37.97
Marketing expenses	8.93	17.81
Repairs and maintenance		
- Machinery	10.12	3.96
- Others	45.07	41.45
Legal and professional charges	27.79	11.03
Expenditure for Corporate Social Responsibility	7.28	4.47
Expected credit loss allowance (net) (refer note 10)	1.34	13.89
Auditors' remuneration*		
- For statutory audit	3.68	1.60
- For reimbursement of expenses	0.09	-
Training and development	2.87	1.57
Miscellaneous expenses	67.82	46.33
Total	435.19	343.45

*Refer note 13 for fee paid towards the IPO related services

28. Contingent liabilities and Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Contingent liabilities:		
Claims against the Group not acknowledged as debt:	-	-
	-	-
(B) Commitments:		
(i) Contracts remaining to be executed on capital account and not provided for (net of capital advances)	154.00	51.71
Total	154.00	51.71

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of these matters.

29. Employee benefits

The employee benefit schemes are as under:

1 Defined contribution plans

i. Provident fund

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred.

Total expense recognised during the year ended as follows:

- i. Year ended March 2024 : ₹ 28.64
- ii. Year ended March 2023 : ₹ 19.96

2 Defined Benefit Plans

i. Gratuity

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company provides for gratuity, a defined retirement benefit plan (the 'Gratuity Plan') covering eligible employees. Liabilities with regard to such gratuity plan are determined by an independent actuarial valuation and are charged to the Statement of Profit and Loss in the period determined. The gratuity plan is administered by the Company's own trust which has subscribed to the "Group Gratuity Scheme" of Life Insurance Corporation of India.

The present value of the defined benefit obligation (DBO), and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (%)	7.18%	7.43%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The following table sets out the defined benefit costs as per actuarial valuation for the Company.

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	10.23	14.76
Net interest cost		
Interest expense on defined benefit obligation	7.28	5.88
Interest income on plan assets	(2.10)	(2.06)
Defined benefit cost included in P&L	15.41	18.58

Remeasurement effects recognised in Other Comprehensive Income	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial (Gain) / Loss due to demographic assumptions change in defined benefit obligation	-	-
Actuarial (Gain) / Loss due to Financial assumptions change in defined benefit obligation	2.39	0.24
Actuarial (Gain) / Loss due to Experience on defined benefit obligation	5.98	(2.23)
Return on plan assets (Greater)/Less than discount rate	0.41	(0.29)
Components of defined benefit costs recognised in Other Comprehensive Income	8.78	(2.28)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Present value of funded defined benefit obligation	125.54	102.77
Fair value of plan assets	(45.61)	(28.32)
Net liability arising from defined benefit obligation	79.93	74.45

Movement in the present value of the defined benefit obligation	For the year ended March 31, 2024	For the year ended March 31, 2023
Projected benefit obligation at the beginning of the year	102.77	79.85
Current service cost	10.23	14.76
Interest cost	7.28	5.88
Acquisition	-	7.23
Actuarial loss/(gain)	8.37	(1.99)
Benefits paid	(3.11)	(2.96)
Defined benefit obligation at the end of the year	125.54	102.77

Change in Plan assets	For the year ended March 31, 2024	For the year ended March 31, 2023
Plan assets at the beginning of the year	28.32	28.93
Return on plan assets	2.10	2.06
Employer contribution	18.71	-
Benefits paid	(3.11)	(2.96)
Asset (loss)/Gain	(0.41)	0.29
Plan Assets at the end of the year	45.61	28.32

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

Composition of plan assets

Plan assets comprise of 100% insurer managed funds. Fund is managed by Life Insurance Corporation of India as per Insurance Regulatory and Development Authority of India (IRDA) guidelines, category wise composition of the plan assets is not available.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7.26)	8.27	(7.41)	8.46
Future salary growth (1% movement)	7.65	(6.94)	7.92	(7.15)

Maturity profile of defined benefit obligation (discounted cash flows):

Particulars	As at March 31, 2024	As at March 31, 2023
Within 1 year	13.28	9.55
1-2 year	8.79	9.23
2-3 year	11.02	7.76
3-4 year	12.51	9.37
4-5 year	10.07	10.54
5-10 year	55.60	45.86
Payouts above 10 years	135.88	119.36

The expected contribution to the plan with in 1 year is ₹13.28

ii. Assumptions for compensated absences:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate (%)	7.18%	7.43%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
In Service Encashment (%)	5.00%	5.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 years	58 years

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.38 years (March 31, 2023: 9.48 years).

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at year-end as per Company's policy. The value of such leave balance eligible for carry forward, is determined by an independent actuarial valuation and charged to Statement of Profit and Loss in the period determined.

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases.

30. Related Party Transactions

(i) The list of related parties of the Group is given below

Name of the related party	Nature of relationship
Cyient Limited	Ultimate Holding company
Cyient DLM Inc., USA	Wholly owned subsidiary
Cyient Inc.	Fellow subsidiary
Cyient GmbH	Fellow subsidiary
Cyient Schweiz GmbH	Fellow subsidiary
Cyient Singapore Pte Limited	Fellow subsidiary
Cyient Israel India Limited	Fellow subsidiary
Cyient Europe Limited	Fellow subsidiary
Key Managerial Personnel:	
B.V.R. Mohan Reddy (w.e.f December 27, 2022)	Non-Executive Director, Non-Independent Director
Ganesh Venkat Krishna Bodanapu	Chairman, Non-Executive Director, Non Independent Director
Rajendra Velagapudi	Managing Director
Jehangir Ardeshir (w.e.f December 13, 2022)	Independent Director
Vanitha Datla (w.e.f December 13, 2022)	Independent Director
Pillutla Madan Mohan (w.e.f December 27, 2022)	Independent Director
Ajay Kumar (w.e.f November 15, 2023)	Independent Director
Muralidhar Yadama (w.e.f June 21, 2023)	Independent Director
Ajay Aggarwal (resigned w.e.f December 13, 2022)	Director
Anthony Montalbano (w.e.f January 02, 2023)	Chief Executive officer (CEO)
Shrinivas Kulkarni (w.e.f January 02, 2023)	Chief Financial officer (CFO)
Suchitra R C (resigned w.e.f October 10, 2022)	Additional Director & Vice President Operations
Parvati Ramachandra (resigned w.e.f July 21, 2023)	Company Secretary
Krithika S (w.e.f July 21, 2023)	Company Secretary

(ii) Transactions during the year:

Nature of the transaction	Party name	For the year ended March 31, 2024	For the year ended March 31, 2023	
Revenue from contract with customers - Sale of Goods	Cyient Limited	4.22	1.16	
	Cyient Inc.	5.45	11.77	
Marketing expenses	Cyient Israel India Limited	-	17.52	
Services availed	Cyient Limited	16.21	-	
Rent Payable	Cyient Limited	-	0.05	
	Cyient Limited	6.94	84.91	
	Cyient GmbH	10.11	8.14	
	Cyient Schweiz GmbH	-	16.56	
	Reimbursement of expenses (to)/from, net	Cyient Europe Ltd	11.25	-
	Cyient Singapore Pte Limited	9.58	12.95	
	Cyient Inc.	105.76	128.35	
Share based payment expenses	Cyient Limited	6.44	5.42	
Working capital loan received	Cyient Limited	210.00	210.00	
Working capital loan paid	Cyient Limited	410.00	210.00	
Corporate guarantee received	Cyient Limited	-	750.00	
Purchase of investment	Cyient Limited	-	892.00	
Right issue of shares (Note 12)	Cyient Limited	-	888.62	
Interest on loan from ultimate holding company	Cyient Limited	122.49	92.14	

Compensation to Key Managerial Personnel (Note 1)

Nature of the transaction	Party name	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term benefits	Key Managerial	125.80	60.77
Share based payment expenses	Personnel#1 & 2	31.17	5.17
Commission and other benefits	Non-executive and Non-independent/ independent directors	5.00	-

#1 Executive officers include Rajendra Velagapudi, Shrinivas Kulkarni, Anthony Montalbano, Suchitra R C, Parvati Ramachandra and Krithika S.

#2 The above figures do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation / premium paid are not available.

(iii) Balances at the year-end

Nature of the balances	Party name	As at March 31, 2024	As at March 31, 2023	
Trade Receivables	Cyient Limited	54.75	29.96	
	Cyient Inc.	38.83	16.37	
	Cyient GmbH	0.42	0.38	
Trade Payables	Cyient Limited	418.91	363.55	
	Cyient GmbH	21.65	11.51	
	Cyient Schweiz GmbH	16.56	16.56	
	Cyient Singapore Pte Limited	29.35	19.77	
	Cyient Israel India Limited	28.77	35.13	
	Cyient Inc.	311.11	197.74	
	Cyient Europe Limited	11.25	-	
	Advance from customer	Cyient Limited	7.20	-
	Corporate guarantee outstanding	Cyient Limited	4,470.00	4,470.00
Terms Loans Outstanding	Cyient Limited	995.63	995.63	
Working capital Loan outstanding	Cyient Limited	340.00	540.00	
Interest on loans outstanding	Cyient Limited	336.56	228.17	
Short-term benefits payable	Key Managerial Personnel	15.76	12.31	
Commission and other benefits	Non-executive and Non-independent/ independent directors	5.00	-	

31. Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) for the year	611.96	317.27
Basic EPS:		
Number of equity shares outstanding at the year end (refer note 12)	7,93,06,124	5,28,66,000
(A) Weighted average number of equity shares at the year end	7,27,05,065	22,74,589
(B) Impact on account of Bonus Issue (refer note 12)	-	3,86,68,014
Weighted average number of equity shares after Bonus Issue (A+B)	7,27,05,065	4,09,42,603
Basic Earnings per share (₹)	8.42	7.75
Diluted EPS:		
Effect of dilutive issue of stock options	2,21,218	-
Weighted average number of equity shares at the year end	7,29,26,282	-
Diluted Earnings per share (₹)	8.39	7.75

*There were no dilutive instruments outstanding during the previous year.

32. Financial Instruments

32.1 Capital management

The Group manages its capital to ensure that it maximises the return to stakeholders through the optimisation of the capital structure. The Group monitors the return on capital. In order to optimise the Group's position with regards to its borrowings, interest income and interest expense, treasury team performs a comprehensive corporate interest risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

32.1.1 Gearing ratio

The gearing ratio at end of the reporting period is as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings*	1,335.63	3,144.74
Less: Cash and bank balances***	(1,147.52)	(1,676.01)
Net debt	188.11	1,468.73
Total equity**	9,089.78	1,978.72
Net debt to equity	2%	74%

* Includes current, non-current and current maturities of non-current borrowings. (refer note 14)

** Total equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. (refer note 12 and 13)

*** For the year ended March 31, 2024, the cash and bank balances does not include money received from issue of shares through Initial Public Offering of ₹ 4,218.35

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 & March 31, 2023.

32.1.2 : Financial Instruments by category

Particulars	Carrying value as at	
	As at March 31, 2024	As at March 31, 2023
Financial assets:		
Amortised cost		
Trade receivables	2,258.69	1,617.48
Cash and cash equivalents	416.89	773.41
Other bank balances	4,948.98	902.60
Other financial assets	302.16	89.63
Fair value through other comprehensive income		

Particulars	Carrying value as at	
	As at March 31, 2024	As at March 31, 2023
Investments in other equity instruments (unquoted)	662.12	895.22
Total financial assets	8,588.84	4,278.34
Financial liabilities:		
Amortised cost		
Borrowings*	1,335.63	3,144.74
Trade payables	3,200.26	2,852.62
Lease liabilities	585.56	415.77
Other financial liabilities	397.26	242.81
Total financial liabilities	5,518.71	6,655.94

* Includes current, non-current and current maturities of non-current borrowings from banks (refer note 14)

The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, other financial assets, Borrowings, trade payables, and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost. Carrying value of unquoted instruments represents fair value which is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Investments in other equity instruments (unquoted) are measured at fair value through initial designation in accordance with Ind-AS 109.

32.1.3 Fair value hierarchy

Valuation technique and key inputs

Level 1 - Quoted prices (unadjusted) in an active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Quantitative disclosures of fair value measurement hierarchy for financial instruments

Fair value measurement at the end of year	As at March 31, 2024	As at March 31, 2023
Level 3		
Investments in other equity instruments (unquoted)	662.12	895.22

The fair values of the unquoted equity instruments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, and probabilities of the various estimates within the range used in management's estimate of fair value for these unquoted equity investments.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

32.1.4 Fair value measurements using significant unobservable inputs (level 3)

Valuation inputs and relationships to fair value:

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Investments in other equity instruments (unquoted)		Significant unobservable inputs		Sensitivity of the inputs to fair value
As at	Fair value			
March 31, 2024	662.12	Earnings growth rate	Earnings growth factor for unquoted equity shares are estimated based on the market information of similar type of companies and also considering the economic environment impact.	<p>March 31, 2024- 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹50.88 (45.1)</p> <p>March 31, 2023- 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹58.94 (52.13)</p>
March 31, 2023	895.22	Discount rate	Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and risk specific to that asset.	<p>March 31, 2024- 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹49.43 Mn (55.71 Mn)</p> <p>March 31, 2023- 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹67.86 Mn (77.15 Mn)</p>

Fair value measurements using significant unobservable inputs (level 3)

The following table presents changes in level 3 items for the year ended March 31, 2024 and March 31, 2023:

Particulars	Investments in Equity instruments of other entities (Unquoted)
As at April 1, 2022	3.22
Acquisitions	892.00
Change in fair valuation	-
As at March 31, 2023	895.22
Change in fair valuation	(233.10)
As at March 31, 2024	662.12

32.2 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk and interest rate risk. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The liquidity risk is measured by the Group's inability to meet its financial obligations as they become due.

Foreign exchange risk

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales and services and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Group monitors and manages its financial risks by analysing its foreign exchange exposures.

Sensitivity analysis:

Every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Group would impact profit before tax by ₹ 18.17 for the year ended March 31, 2024 and ₹ 18.82 for the year ended March 31, 2023

Interest Risk

There is no material interest risk relating to the Group's financial liabilities which are detailed in note 14.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of total receivables from top five customers and others:

Particulars	As at March 31, 2024	As at March 31, 2023
Receivable from top 5 customers	71%	65%
Others	29%	35%

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The Group had unutilized credit limits from banks as at March 31, 2024 of ₹ 2,860.85 (₹ 579 - as at March 31, 2023)

The Group had working capital of ₹ 7,864.87 (₹ 948.23 - as at March 31, 2023) and cash and bank balance of ₹ 5,365.87 (₹ 1,676.01 - as at March 31, 2023)

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2024:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade payables	3,200.26	-	-	3,200.26
Other financial liabilities	216.66	61.16	119.44	397.26
Total	3,416.92	61.16	119.44	3,597.52

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2023:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade and other payables	2,852.62	-	-	2,852.62
Other financial liabilities	76.49	41.58	124.74	242.81
Total	2,929.11	41.58	124.74	3,095.43

The Group's obligation towards payment of borrowings has been included in note 14.

The Group's obligation towards payment of lease liabilities has been included in note 3B.

33. Segment information

The Group's operations fall within a single operating segment "Electronic manufacturing solutions" which is considered as the primary reportable business segment.

The reporting of geographical segments is based on the location of customers i.e., Domestic (Within India) and Overseas (Outside India).

Geographical segment information

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	6,345.13	5,573.58	11,918.71	3,352.30	4,968.03	8,320.33
Non-current assets*	1,999.64	-	1,999.64	1,661.29	-	1,661.29

*Geographical non-current assets (property, plant and equipment, right of use assets, capital work-in-progress, goodwill, intangible assets and other non-current assets) are allocated based on location of assets.

Information about major customers

Particulars	For Year ended			
	March 31, 2024	Percentage	March 31, 2023	Percentage
Revenue from top customers (*)	9,475.69	79.50%	3,451.47	41.48%
Others	2,443.02	20.50%	4,868.86	58.52%
Total Revenue	11,918.71	100.00%	8,320.33	100.00%

*Includes revenue from customers individually amounting to 10% or more of the Group's revenues.

34. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	76.02	69.17
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.78	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	0.78	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.78	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0.78	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

35. Other Information

(A) As at and for the year ended March 31, 2024

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Parent Group								
Cyient DLM Limited	100%	9,089.78	100%	611.96	100%	(239.67)	100%	372.29
Subsidiaries								
Foreign								
Cyient DLM Inc.	-	-	-	-	-	-	-	-
Total	100%	9,089.78	100%	611.96	100%	(239.67)	100%	372.29

(B) As at and for the year ended March 31, 2023

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
Parent Group								
Cyient DLM Limited	100%	1,978.72	100%	317.27	100%	1.71	100%	318.98
Subsidiaries	-	-	-	-	-	-	-	-
Total	100%	1,978.72	100%	317.27	100%	1.71	100%	318.98

36. Other Statutory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than Issue proceeds raised through Right's Issue aggregating to ₹888 Mn from Cyient Limited, Holding Group for acquiring Investment in STUAM Technologies Limited (Formerly known as Innovation Communications Systems Limited) (refer note 6) during the year ended March 2023.
- (vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

37. The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Group will assess and record the impact of the Code, once it is effective.

38. The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in respect of accounting software, audit trail feature is not enabled for direct changes to data when using certain access rights. Further, audit trail feature has not been tampered with in respect of other accounting software.

Accompanying notes form an integral part of the financial statements

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient DLM Limited

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Non - Executive Chairman
(DIN - 00605187)

Rajendra Velagapudi
Managing Director
(DIN - 06507627)

Krithika S
Company Secretary
(M.No. - A37001)

Shrinivas Kulkarni
Chief Financial Officer

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

Place: Hyderabad
Date: 23.04.2024

OUR LOCATIONS

HYDERABAD UNIT

Cyient DLM Limited-SEZ unit Plot No. 5G, Survey No. 99/1 Mamidipalli Village,
GMR Aero & Ind.Park, RGIA Shamshabad, Hyderabad-500108 Telangana

MYSURU UNIT

Cyient DLM Limited-Unit-1 EHTP Plot No. 347, D1&D2, KIADB
Electronics City, Hebbal Industrial Area Mysuru-570016 Karnataka

BENGALURU UNIT

Cyient DLM Limited-Unit-3 No-27C, Shivapura 2nd stage Peenya
industrial area, Bengaluru Urban-560058 Karnataka



WE ARE

CYIENT
DLM





cyientdlim.com

Registered Office

Cyient DLM Limited, Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park,
GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport,
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